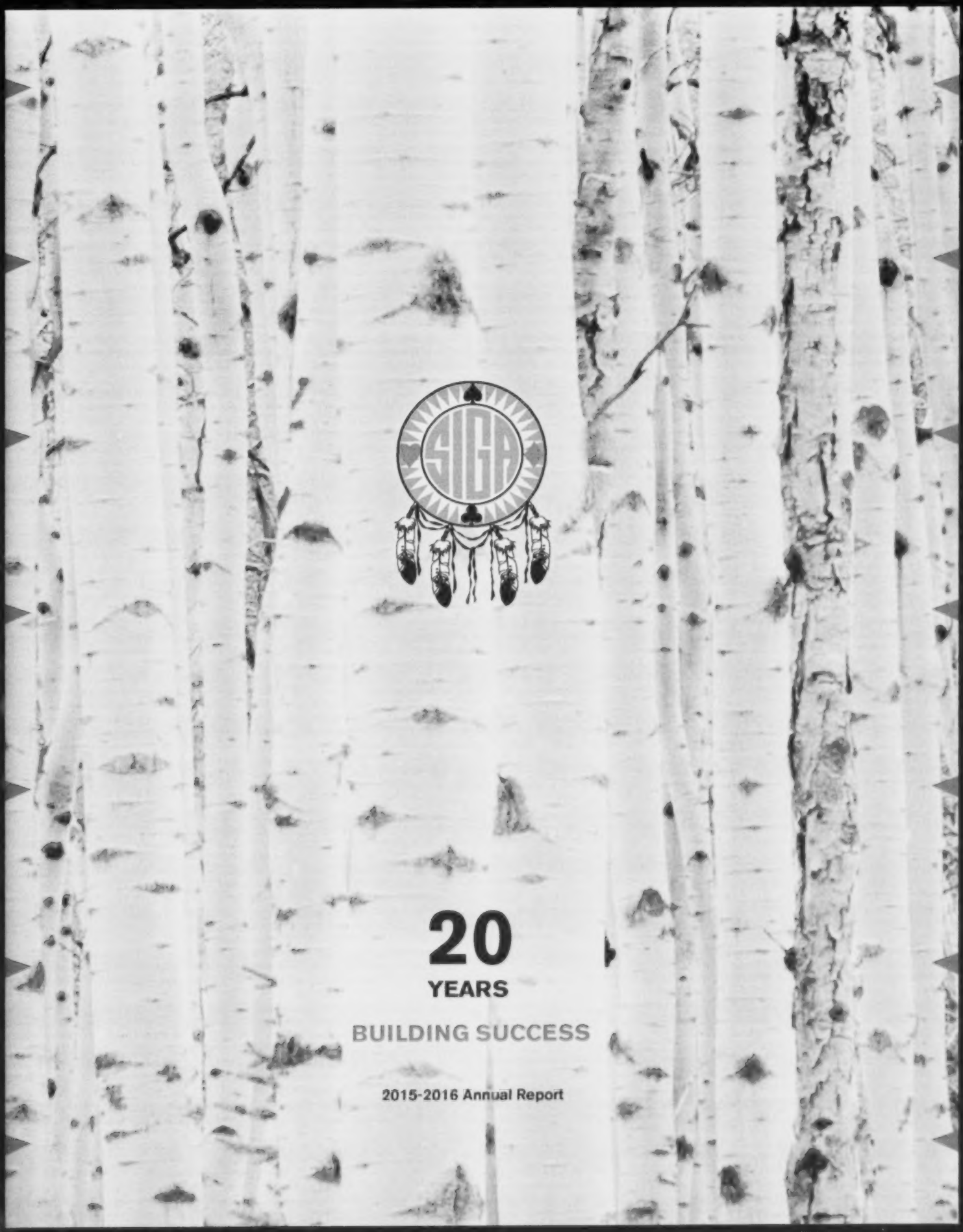


20
YEARS

BUILDING SUCCESS

2015-2016 Annual Report

TABLE OF CONTENTS

2 Guiding Principles & Business Values
3 Corporate Overview
4 Message from the FSIN
5 Message from SIGA's Board Chair
6 Message from the President and CEO

8 Annual Profits
9 Profit Distribution
10 Operational Highlights
14 Community Investment

19 Our Operations
21 Bear Claw Casino & Hotel
23 Dakota Dunes Casino
25 Gold Eagle Casino
27 Living Sky Casino
29 Northern Lights Casino
31 Painted Hand Casino

32 Building Success
36 Risk Management

37 Financials
38 Independent Auditor's Report
39 Statement of Financial Position
40 Statement of Comprehensive Income
41 Statement of Changes in Deficit
42 Statement of Cash Flows
43 Notes to the Financial Statements

65 Executive Structure
66 Board of Directors
68 Corporate Governance

INTRODUCTION

During our first twenty years, we reached many significant milestones. As a company we will continue to manage our resources effectively with a resolute focus on providing our customers with First Nations hospitality and customer service excellence. We look forward to building on the success of a proven First Nations business model that creates opportunity and value for the First Nations people of Saskatchewan.

GUIDING PRINCIPLES & BUSINESS VALUES

As a First Nations organization employing First Nations people, SIGA has adopted five principles to encourage balance, while incorporating the traditional aspects of First Nations culture. While our five guiding principles are presented here in Cree, there are parallel expressions in the Saulteaux, Dene and Lakota, Dakota and Nakota languages.

Tâpwêwin

The principle of Tâpwêwin advocates speaking with precision and accuracy. From a business perspective, this means SIGA must be accountable for its actions and conduct business with integrity, honour and discipline.

Pimâcihowin

Pimâcihowin stresses the importance of "making a living" and is today's realization of our First Nations treaty relationship. The financial and operational success of SIGA provides the means to exercise a holistic approach to improving the quality of life for our people.

Miyo-wîcêhtowin

The value of getting along with others is embodied in the word Miyo-wîcêhtowin. By conducting our business in a manner that reflects our First Nations hospitality, traditions and customs, we are able to foster good relations with our customers. Guest satisfaction is crucial to our success and our First Nations heritage is a source of competitive advantage.

Miskâsowin

Miskâsowin signifies the value of finding one's sense of origin and belonging. A fundamental goal of SIGA is to bring about this sense in a positive way. This value speaks to instilling a sense of pride in ourselves and our province's First Nations heritage.

Wîtaskêwin

Living together on the land is the fundamental value conveyed by the word Wîtaskêwin. SIGA's vision "Sharing Success" talks to the concept of sharing our land or, in today's terms, sharing resources. This value directs us to give back to the communities where we live and work.

CORPORATE OVERVIEW

The Saskatchewan Indian Gaming Authority (SIGA) is the operator of six First Nations casinos in Saskatchewan. The casinos are conveniently located across the province: Bear Claw Casino (White Bear First Nation) near Carlyle, Dakota Dunes Casino (Whitecap Dakota First Nation) near Saskatoon, Gold Eagle Casino (Mosquito First Nation in North Battleford), Living Sky Casino (Nekaneet First Nation in Swift Current), Northern Lights Casino (Peter Ballantyne Cree Nation in Prince Albert) and Painted Hand Casino (Kahkewistahaw First Nation in Yorkton).

SIGA casinos entertain over four million guests annually. SIGA employs over 1,875 people including over 1,200 who identify as First Nations. The entertainment company currently ranks in Saskatchewan's top 35 companies with annual revenues of $258.3M and net profits over $86.3M.

SIGA casinos offer entertainment and excitement, including 2,120 slot machines, 56 live table games, live onstage entertainment and a full line of food and beverage services. SIGA employees provide a second-to-none customer service experience, rooted in traditional understandings of hospitality found in First Nations culture.

Under the *First Nations Gaming Act* in 1995, the Federation of Sovereign Indigenous Nations, formerly the Federation of Saskatchewan Indian Nations Inc. (FSIN) created the Saskatchewan Indian Gaming Authority. In 1996, SIGA was incorporated under *The Non-Profit Corporations Act, 1995* of Saskatchewan with all profits returned to its beneficiaries.

Profits generated from SIGA's operations are administered by the province of Saskatchewan.

- 50% is shared with First Nations Trust, which distributes to Saskatchewan First Nation communities;
- 25% is shared with regional Community Development Corporations (CDCs) which are situated in the casino locations for local initiatives. The CDCs, which are independent of SIGA, distribute this money to charitable and not-for-profit community organizations;
- 25% is shared with the Provincial Government's General Revenue Fund.

As a responsible corporate citizen, SIGA has made a commitment to our customers, employees, stakeholders and suppliers to advocate the responsible use of its gaming products and minimize the potential for harm.

MISSION

SIGA will strengthen the lives of First Nations people through employment, economic growth, positive community relations and achieving financial self-reliance. This will be done through the operation of distinctive First Nations gaming destination resorts that reflect the traditional aspects of our First Nations culture and hospitality.

VISION

SIGA will deliver sustainable net income and employment opportunities to support First Nations development in Saskatchewan.

MESSAGE FROM THE FSIN

"...SIGA has demonstrated tremendous growth by creating many opportunities for individuals, communities, nations and businesses through the provision of career opportunities, job training and sustainable income."

On behalf of the Federation of Sovereign Indigenous Nations (FSIN), I congratulate the Saskatchewan Indian Gaming Authority (SIGA) on their 20th anniversary of operations in Saskatchewan, and for another year of success in the gaming industry.

When the Chiefs of our territories had the foresight to establish SIGA 20 years ago, a vision was realized. The wheels were set in motion for SIGA to become a leader in First Nations job creation and economic development in our territories, putting into action our inherent Treaty and Indigenous right to self-determination. Since then, SIGA has demonstrated tremendous growth by creating many opportunities for individuals, businesses, communities and nations through the provision of career opportunities, job training and sustainable income.

Thank you to all our leaders and employees who have brought SIGA to where it is today. I am confident that SIGA will remain a strong and vibrant part of our First Nations community and the province of Saskatchewan for decades to come.

It is my pleasure to submit the 2015-2016 Saskatchewan Indian Gaming Authority Inc. Annual Report ending March 31st, 2016.

Ekosi,

Chief Bobby Cameron
Federation of Sovereign Indigenous Nations

MESSAGE FROM SIGA'S BOARD CHAIR

"SIGA has worked hard to build a positive reputation in Saskatchewan through its community investment and job creation for First Nations people."

It is my honour to present the Saskatchewan Indian Gaming Authority's (SIGA) 2015-2016 Annual Report.

Since its inception, SIGA has grown into a well-governed and successful First Nation-owned and operated gaming and entertainment business.

SIGA has worked hard to build a positive reputation through its community investment and job creation for First Nations people. SIGA serves as a cornerstone of business achievement for First Nations people in Saskatchewan.

Over the years, the SIGA Board of Directors has worked diligently to develop sound governance practices that keep SIGA aligned with its vision of supporting First Nations economic development in Saskatchewan. As a board, we are committed to moving the company forward by fulfilling a strategic plan that aims to deliver positive results for our stakeholders.

I would like to acknowledge and thank those Board members who have left the Board, Chief Larry Ahenakew, Senator Amanda Louison and Robert Gerow. Your commitment and contribution to First Nations development is appreciated.

At the heart of SIGA's work is the guiding principle "Wîtaskêwin." In 20 years of operation, we have delivered over $850 million in net profit to communities and charitable organizations in Saskatchewan. I feel a deep sense of pride in knowing that the vision that the Chiefs of Saskatchewan had when they developed SIGA has resulted in the success we share today.

To the SIGA Board of Directors, the management team and all SIGA employees, I extend my gratitude for all of your hard work in helping our organization succeed. I am confident there are many years of success to come for SIGA and our First Nations people.

Chief Reginald Bellerose
SIGA Board Chair

MESSAGE FROM THE PRESIDENT & CEO

"This past year saw SIGA achieve another significant milestone as we celebrated 20 years of operations."

I would like offer my sincere thanks to our customers and employees for making 2015-16 another successful year for the Saskatchewan Indian Gaming Authority. The support of our customers and hard work by our employees enabled SIGA to achieve revenues of $258.3M and net earnings of $86.3M of which all is shared with our beneficiaries across Saskatchewan. We are also very pleased to report this is our fifth consecutive year where net earnings have exceeded $80M.

This past year saw SIGA achieve another significant milestone as we celebrated 20 years of operations. Throughout this time we have developed six casino properties across Saskatchewan with the support of our First Nation and Tribal Council partners. We have also developed strong community relationships in all locations by keeping a priority on securing the benefits from our operations on a regional and provincial wide basis. As an operator we keep a focus on continuously improving the customer experience through excellent customer service, providing the newest gaming product and memorable facilities with first-rate amenities.

SIGA is proud to be one of the largest and most progressive employers in Saskatchewan. We opened our doors 20 years ago with just over 550 employees, and grew our workforce to over 1,875 people today of which 65% are First Nation. I am very proud to report that SIGA placed in the top five across North America in receiving the "Best Casinos to Work For" designation from the North America Casino Journal. We value all members of the SIGA team. Their commitment to delivering a superior hospitality experience is the foundation for our long-term success as a company.

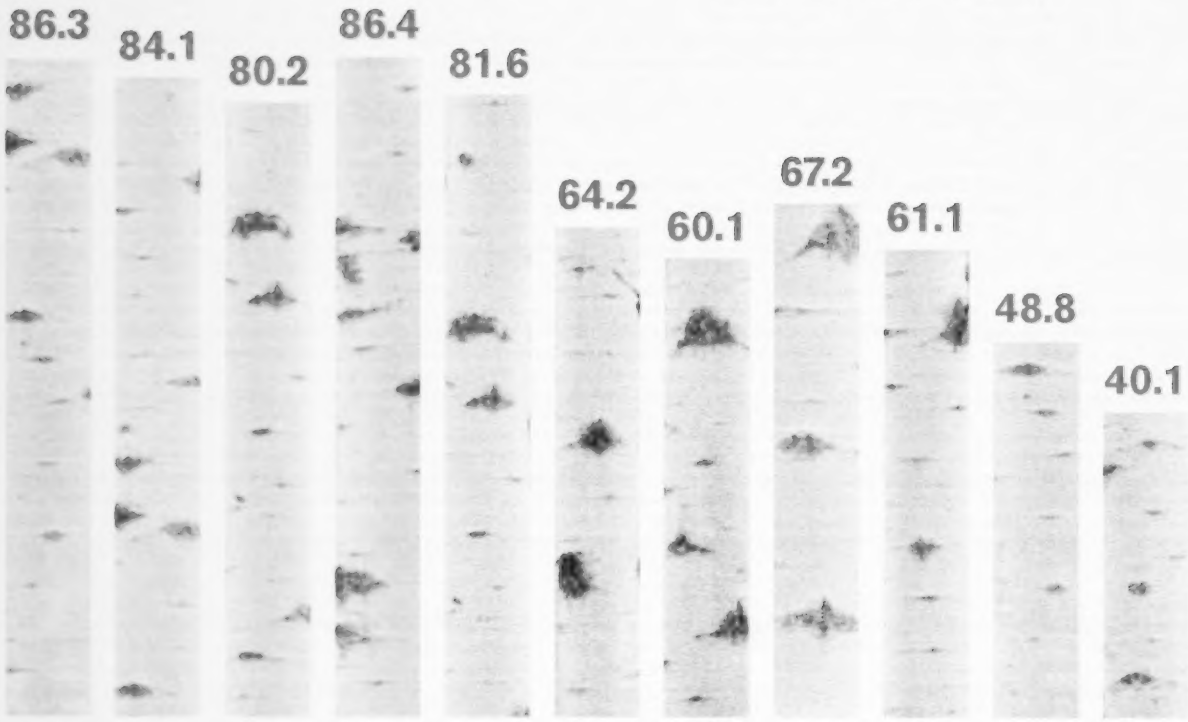
As a 100% non-profit organization it makes us proud to return our profits to our First Nations owners, community development corporations and the province of Saskatchewan. In addition to distributing our net profits, we allocated over $1.2M through our Community Investment Program to support community initiatives. We are very proud of the impact we have made in the past two decades, and we look forward to continuing partnerships with communities across the province into the future.

On behalf of SIGA's executive team, I would like to acknowledge the Chiefs and Elders for their vision in the development of a First Nation owned and operated corporation. I would like to thank the Board of Directors for their focus on setting our direction and the governance oversight they provide. Your strategic direction ensures SIGA's continued success for the First Nations people, and the province of Saskatchewan.

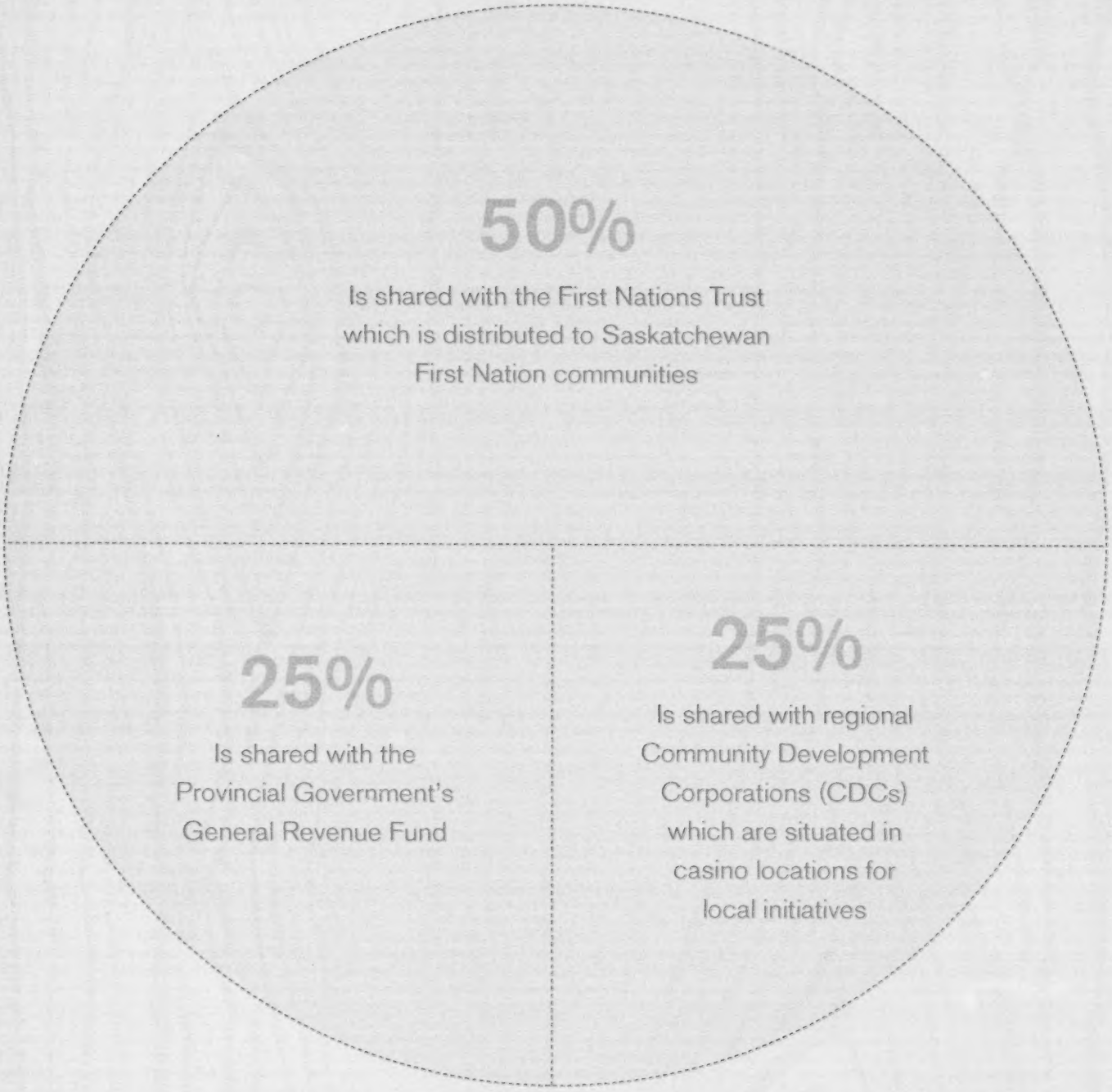
Zane Hansen
President & CEO
Saskatchewan Indian Gaming Authority

ANNUAL PROFITS ($Millions)

$258.3 million
in revenues for the
2015-2016 fiscal year



PROFIT DISTRIBUTION


50%
Is shared with the First Nations Trust which is distributed to Saskatchewan First Nation communities
25%
Is shared with the Provincial Government's General Revenue Fund
25%
Is shared with regional Community Development Corporations (CDCs) which are situated in casino locations for local initiatives

OPERATIONAL HIGHLIGHTS

GAMING OPERATIONS

The Saskatchewan Indian Gaming Authority (SIGA) continues to enhance product offerings for its patrons. Together six casino sites now feature a total of 2,120 slot machines and 56 table games. This represents an increase of 125 slot machines.

Through a partnership with the Saskatchewan Roughriders, SIGA launched the new Rider Nation Progressive Jackpot. This progressive must hit by $100,000 and continues to demonstrate a commitment to give players more of what they are looking for with bigger wins and the excitement that comes with these life-changing awards.

A number of upgrades were conducted across the SIGA casino sites to enhance the customer experience. New High Limit rooms were opened in the Bear Claw Casino (BCC), Dakota Dunes Casino (DDC) and the Painted Hand Casino (PHC); Gold Eagle Casino (GEC) featuring a new smoking room; new ticket redemption kiosks; and the purchase of over 400 new slot machines. SIGA led the way in Saskatchewan gaming by offering handheld Live Game products and introducing Squeeze EZ Baccarat and Double Deck Blackjack.

ENTERTAINMENT AND EVENTS

SIGA hosted fabulous entertainment events this year, bringing excited visitors into the casinos to attend sold out shows such as: Salt-N-Pepa, Theory of a Deadman, Big Sugar, the Irish Rovers and Mark Chesnutt, to name a few.

An annual VIP event was held on March 19th at the DDC. SIGA's top VIP players were transported to DDC from around the province and they enjoyed a fantastic dinner prepared by SIGA's six executive chefs. Guests were surprised with an exclusive draw for $20,000 in celebration of SIGA's 20 years of operation.

SIGA casinos offer an array of tribute artists along with dinner and variety shows throughout the year. Performances such as comedian Tom Green, The Amazing Kreskin and UFC Champion Randy Couture excited audiences along with musical tributes to Roy Orbison, Rod Stewart, Patsy Cline and Elvis Presley.

FOOD, BEVERAGE AND HOTEL OPERATIONS

This past year saw the renewal of company-wide uniforms for our employees and the creation of new cocktail menus which were implemented in 2016. All casinos except Northern Lights will also have catering and event software implemented to better serve our guests in all our event centres this year.

SIGA partnered with Flying Dust First Nation to purchase organic, locally grown potatoes for all of our casinos. The potatoes are grown by the Flying Dust Market Garden which has 171 acres of certified organic land producing 30 different varieties of vegetables and fruit. And then there was the introduction of organically grown herbs and lettuces at DDC in April 2016. The tower gardens are located just outside the restaurant entrance, providing sustainable herbs for their restaurant menu. Future expansion to other casinos is being considered.

DDC introduced four phone charging stations that were placed on the gaming floor to offer our guests the security and convenience of keeping their phone charged while they play. DDC has relocated their guest service desk closer to the entrance of the casino and will be utilizing this space to open a new Tim Hortons franchise in July of 2016. In May of 2016, DDC opened a new "Charley Biggs" fried chicken franchise, the first one in the province of Saskatchewan.

GEC's smoking room expansion opened along with a new event room located just off the gaming floor. This room can accommodate moderate-sized meetings, parties and receptions. There is also a new food service staging room so the Food and Beverage department can enhance the meal service for our guests in their event centre.

6	2,120	56
Casinos	slot machines	table games

MARKETING AND PROMOTIONS

The Saskatchewan Indian Gaming Authority (SIGA) heightened its guest experience at the casinos through First Nations hospitality and plenty of exciting promotions, prize draws, contests and exceptional entertainment.

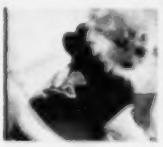
SIGA proudly:

- Entertained over 33,000 guests at over 150 live entertainment events;
- Partnered with 38 hotels across the province to offer valuable Stay and Play packages;
- Welcomed over 24,000 new Players Club members;
- Rewarded members with special bonus features including U-Spin, Pirates Gold, point multipliers and Power Winners;
- Mailed over 600,000 unique rewards to qualifying members;
- Rewarded members with exciting prizes through over 300 draws and 75 promotions at our convenient, self-serve Rewards Centre;
- Celebrated winning with over 15,000 members at our exclusive Jackpot Parties;
- Rewarded members age 55+ at 'Spin 2 Win Mondays', with over $1.3 million in free play prizes;
- Welcomed over 11,000 new followers on our social media channels where we held special promotions and prize giveaways including a pet photo contest which grew to over 4,500 entries;
- Wished "Happy Birthday!" to over 14,000 club members at our monthly birthday parties with cake, gifts and prize draws;
- Treated our members to exclusive parties and events, such as the professional Lacrosse, Saskatchewan Rush games.

Entertained over **33,000** guests at over **150** live entertainment events

Welcomed over **24,000** new Players Club members

Over **11,000** new followers on our social media channels



EXCITING PROMOTIONS

Always the best choice for fun and excitement, 2015-2016 saw over 700 promotions taking place at SIGA casinos. Major prizes included everything from Hollywood trips to home makeovers and luxury vehicles. Players enjoyed anniversary celebrations at all casinos and Gold Eagle Casino celebrated their new 5,000 square foot expansion with entertainment, food and beverage specials and hot seat draws.

Our Smoke Signals Mystery Progressive paid out four jackpot prizes of over $1 million this year. The wins ranged from $1.04 million to over $1.95 million – the largest jackpot ever paid out by a Saskatchewan casino. Along with the main jackpot, Smoke Signals has two other mystery jackpots; the "Dreamer" pays out $25,000-$75,000 and the "Player" pays out $1,000-$3,000. This year 53 happy patrons won the Dreamer jackpots and close to 2,000 of our customers won the Player jackpots. With mystery jackpots, any spin can win!

SIGA's signature hot air balloon had more than 70 flights taking place with VIP Players Club members getting a thrilling bird's eye view of Saskatchewan. Watch the skies for the world's largest slot machine.

SIGA's annual Poker Championship had 398 players buying in for the chance to win the championship title including the coveted custom-designed poker bracelet and a seat at the World Series of Poker. In the end it was Mark Burke from Alberta who became the 2015 champion.

In February, the $50,000 SIGA Slot Showdown Tournament hosted 102 provincial qualifiers. An awards ceremony and dinner followed the tournament and all were hosted at Dakota Dunes Casino. The champion of the Slot Showdown was Dorthea Fletcher from Carlyle, SK, qualifying from the Bear Claw Casino and Hotel.

FACILITIES

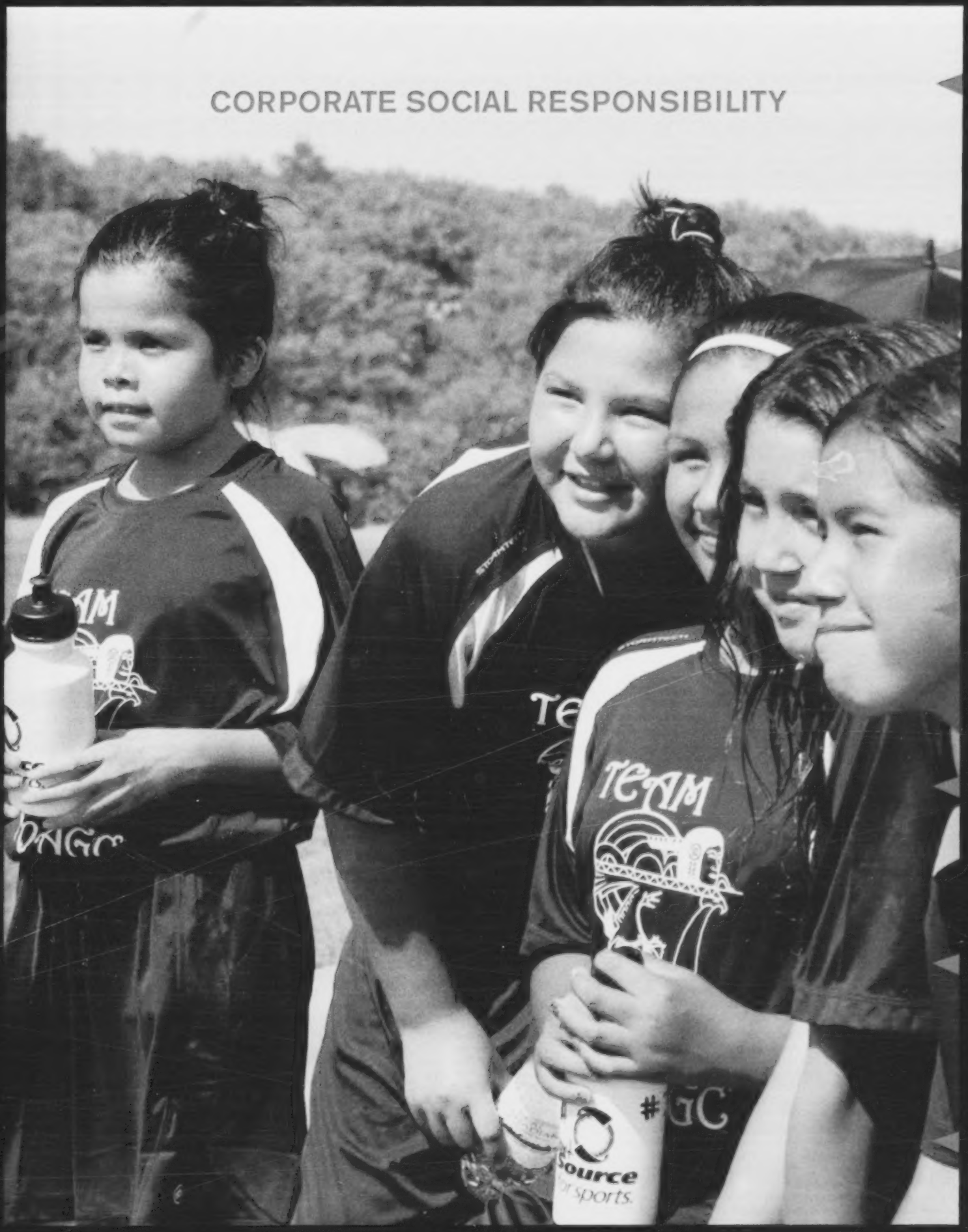
Facilities departments have started the transition to LED lighting, which will see positive environmental impacts and costs savings through more efficient energy use.

Over
7,000
events took place
at SIGA Casinos

Paid out
$1.95M
– the largest jackpot
ever paid out by a
Saskatchewan casino

Over
70
flights of SIGA's signature
hot air balloon carrying
VIP Players
Club members

CORPORATE SOCIAL RESPONSIBILITY



COMMUNITY INVESTMENT

At SIGA, one of our values speaks to the sharing of our land and sharing our resources. The guiding principle, Witaskêwin, reminds us to give back to the communities where we live and operate.

SPONSORSHIP

In 2015-2016 SIGA's community relations sponsorship program provided a $1.2M investment for charitable and non-profit based organizations in Saskatchewan.

SIGA continues to make a positive impact through its investment in its targeted sectors. These sectors include education/training, health and well-being, sports and recreation, business/tourism, and arts and culture. SIGA continues to make a difference in the quality of life for the socially, physically and economically disadvantaged as well as those with special needs.

In 2015-2016, SIGA contributed to hundreds of community organizations, including the Ronald McDonald House, Canadian Diabetes Association, Gordon Tootoosis Nikaniwin Theatre (formerly Saskatchewan Native Theatre Company), All Nations Healing Hospital, KidSport, Big Brothers and Big Sisters, Saskatchewan Red Cross, Saskatchewan Indian Cultural Centre, First Nations University of Canada Pow Wow, Safe Drinking Water Foundation's educational kits for schools, University of Saskatchewan youth programs, Literacy for Life and READ Saskatoon just to name a few.

$1.2M

donated to charitable and non-profit based organizations in 2015-16

First Nations University of Canada (FNUC) 37th Annual Spring Celebration Pow Wow

Once again SIGA was a Thunderbird sponsor of FNUC's spring Pow Wow which was held April 11th and 12th, 2015 in Regina. Marking the Pow Wow's 37th year, FNUC's annual spring celebration Pow Wow is the first of the season and is considered by many as the official "kick-off" to the annual pow wow season. It is a celebration of spring and a sharing of First Nations culture through song, dance, ceremony and craft that adds to the diversity and cultural mosaic of Saskatchewan.

Along with being a significant tourist draw, the FNUC Pow Wow is one of the largest events of its kind attracting over 7,000 visitors and more than 800 dancers and singers from across Canada and the United States.

800
dancers and singers

7,000
visitors

Federation of Saskatchewan Indian Nations (FSIN) Pow Wow

SIGA was once again the proud Title Sponsor of FSIN's Spirit of Our Nations Cultural Celebration and Pow Wow. Held at the SaskTel Centre in Saskatoon, this event is the largest and last Pow Wow of the season in Saskatchewan and draws thousands of dancers, drummers and spectators to this First Nations cultural event. It is a family-oriented and community-minded event that encompasses First Nations cultures, traditions and ceremonies and is open to the general public. First Nations ceremonies and traditions are integral to the success of a pow wow celebration. Sweats and feasts are held prior to the pow wow; pipes are raised and offerings are made to ask for guidance, blessings, good health and safe travels for all involved. A ceremonial tipi is raised and pipe ceremonies are held where prayers are offered for all the people. In this way, our ceremonies form a vital part of all the gatherings and proceedings of the pow wow.

2015 Saskatchewan First Nations Summer Games

SIGA was again a top sponsor of the First Nations Summer Games in 2015. The games were hosted by the Ochapowace First Nation August 9th-15th, 2015. A celebration of sport and culture, this event epitomizes healthy living and builds community at all levels. This experience provided a healthy and safe environment for participants from First Nations across Saskatchewan. In total, 74 First Nations and 13 regional teams participated in the summer games. SIGA has been a supporter of the Saskatchewan First Nations Summer and Winter Games since SIGA opened its doors in 1996.

2015 Saskatchewan First Nations Summer Games Statistics

100
professional host society staff & contractors

200
cultural & entertainment performers

200
team management & mission personnel

300
VIPs & WIPs

1,000
athletes

3,000
coaching staff

5,000
host community volunteers

All Nations Healing Hospital (ANHH)

This past fiscal year marked the second year of a five-year commitment with the ANHH. First Nations people of Saskatchewan face significant challenges today with respect to obtaining timely access to quality health care services that meet the unique needs of their communities. The Chronic Illness Centre of Health can assist youth, Elders, and seniors to maintain their health and well-being as well as provide assistance through preventive measures with regard to chronic illness. The centre will also reduce the stress of clients travelling to a major centre for dialysis treatment and this will help improve their quality of life. With SIGA's financial support, the ANHH will be able to provide dialysis services for First Nation patients/clients in need of dialysis as well as provide a strong prevention focus to assist patients/clients to maintain their kidney health. This opportunity will be the first in Canada to create a purpose-built chronic facility that is owned and operated by a First Nations Tribal Council. The Chronic Illness Centre of Health will be a showcase site that demonstrates the value we place on First Nations and Métis populations, and provide the rest of our health care system with a model for efficient delivery of care for chronic illness, the cost of which is $80 billion to Canadians.

Fall of 2016

Target opening date for The Chronic Illness Centre of Health

2015 SIGA SCHOLARSHIP AWARDS

The SIGA First Nation Scholarship Program provides incentive to First Nation individuals to pursue education and continued learning in academic areas considered to be vital to the continued success of First Nations employment in Saskatchewan.

Since the program's inception in 2009, SIGA's First Nation Scholarship Awards have provided First Nations students with either a $1,000, $2,500 or $5,000 scholarship to pursue post-secondary education.

In 2015 SIGA partnered with the Saskatchewan Indian Institute of Technologies (SIIT) to provide $100,000 in scholarships with the help of a $50,000 matching provincial grant.

$100,000

in scholarships to SIIT students in 2015 with the help of a $50,000 matching provincial grant

PAINTED HAND CASINO · Kahkewistahaw First Nation · Charles Ryder, GM

SIGA VOLUNTEER PROGRAM

SIGA employees volunteer for many causes demonstrating SIGA's commitment to "Building Success" in our communities. SIGA has continued supporting community initiatives by developing an employee-owned and driven volunteer program. The program includes coordination of the Volunteer Program Committees at each SIGA location. The program was rolled out during 2011 and 2012 to our casino sites including our Central Office. In 2015-2016, SIGA's employee enrolment rate was at 28% of SIGA's 1,875 employees.

SIGA casinos partnered with organizations like Habitat for Humanity, Salvation Army, Food Banks, Meals on Wheels and community schools to name a few. A partnership with the Heart & Stroke Foundation Big Bike saw close to 150 SIGA volunteers ride and raise money for the Heart & Stroke Foundation. All those involved with this initiative are very excited about increasing SIGA's presence in their communities through volunteerism. We are very proud of "Sharing Success" through our Community Investment programs.

28%
of SIGA employees belong to our volunteer program

150
SIGA volunteers participated in the Big Bike event for the Heart & Stroke Foundation

RESPONSIBLE GAMING HIGHLIGHTS

RGCheck Accreditation – All six SIGA casinos submitted their annual update and successfully maintained their RGCheck accreditation status.

Responsible Gambling Awareness Week – SIGA casinos annually participate in Responsible Gambling Awareness Week by hosting events and highlighting the education resources available for patrons.

GameSense – In September 2015 SIGA launched GameSense as the new platform for the Responsible Gaming Strategy. GameSense is an innovative, award-winning program designed to promote informed choice and healthy behaviours among patrons.

SIGA'S Responsible Gaming Strategy consists of four key elements:

1
Responsible Gaming Policies & Procedures
2
Assisting Patrons
3
Game and Venue Features
4
Employee Training

SMOKE SIGNALS
$1,096,559.30
Legends

OUR OPERATIONS

The Saskatchewan Indian Gaming Authority (SIGA) casinos provide exceptional entertainment value through the excitement of all the latest gaming products, in addition to a unique brand of traditional First Nations hospitality and service.

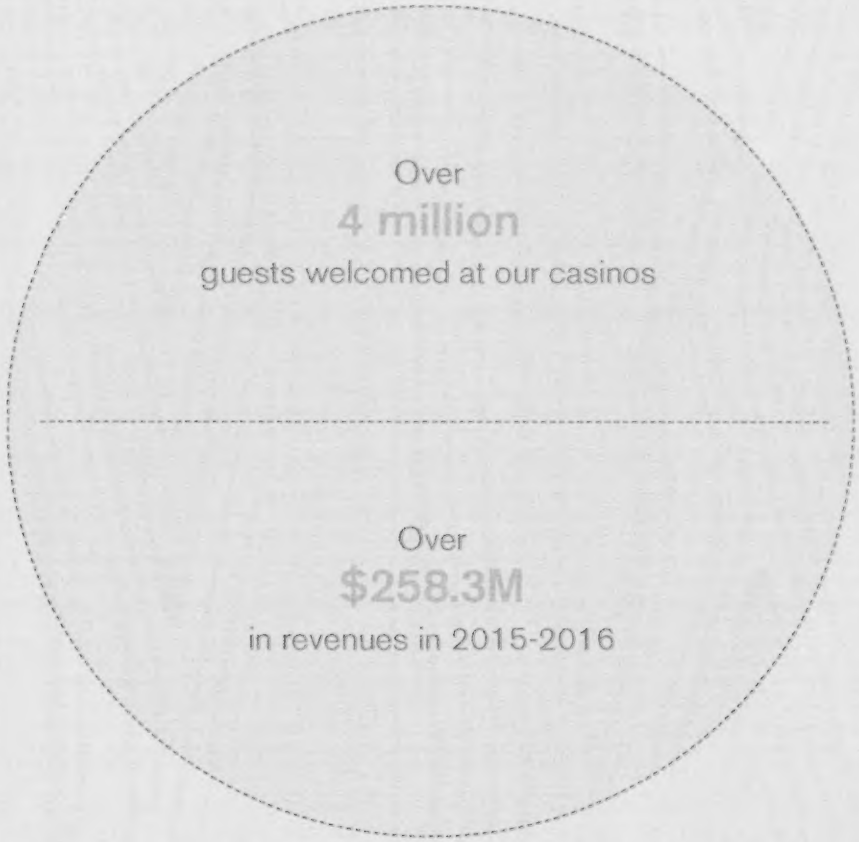
The casinos welcomed over four million guests while surpassing revenues of $258.3M and net profits over $86.3M in 2015-2016.

Visitation increased once again this year at SIGA casinos, and as a result of this and an organization-wide focus on improving efficiency and managing cost, the organization met projections in both visits and financial results. These investments ensure we provide our customers with an enjoyable facility to visit, while providing our employees with a comfortable working environment.

The six casinos located across Saskatchewan feature 2,120 slot machines, 56 live table games, a full line of food and beverage services, and a live entertainment stage in each facility.

SIGA has built and designed casinos with features that are rooted in First Nations culture and natural elements reflecting the area where they are located. Each of our casinos is different and unique.

As a non-profit gaming and entertainment company, all profits are returned to the people of Saskatchewan: 50% of profits support First Nations communities, 25% supports local community development and 25% is returned to the Provincial General Revenue Fund.



BEAR CLAW CASINO & HOTEL White Bear First Nation Edward Littlechief, GM

bear claw

CASINO & HOTEL

BUILDING SUCCESS

Operational Highlights

The Bear Claw Casino & Hotel originally opened in 1993 on the White Bear First Nation near Carlyle, Saskatchewan. It was shut down in what was a highly contentious and emotional part of history between First Nations and the provincial government regarding gaming in Saskatchewan. The casino reopened in November 1996 and has been successfully operating ever since.

The Bear Claw Casino & Hotel is a 30,000 square foot facility with 135 slot machines and four live table games. It is the first SIGA casino to have a hotel with 35 rooms and features a comfortable stay with a continental breakfast and fitness facility. In early 2014, Growlers Restaurant went through a series of improvements in the kitchen to bring it up to date. Continuing facility upgrades are required in order to remain the ultimate Stay & Play experience in the Southeast Saskatchewan area. The Bear Claw Casino & Hotel has RGCheck accreditation from the Responsible Gambling Council.

Bear Claw Casino & Hotel continues to host indoor and outdoor events throughout the year. Indoor events included dinner shows in the newly finished banquet room, featuring The InCliners (Patsy Cline tribute), The Emeralds, The Lonely Boys (Roy Orbison tribute), All You Need Is Love (Beatles tribute), Rory Allen (Elvis tribute) and Having a Party (Rod Stewart tribute) to name a few. The Bear Claw Casino & Hotel hosts an annual pow wow on the last weekend in August.

Employee Development Highlights

The Bear Claw Casino & Hotel currently employs over 150 people from the local area. A youth employment program was first initiated and piloted at Bear Claw Hotel and Growlers Restaurant (located within the Bear Claw Casino) that employs youth ages 16-18. This initiative gives youth in the surrounding communities the opportunity to receive the necessary skills to advance their education and careers, and secondly to fulfill SIGA's long-term recruitment strategy.

SHARING SUCCESS

Volunteerism

The employees at the Bear Claw Casino & Hotel continue to give back by volunteering at various community events. This year our volunteers fundraised for charity, cleaned along the local highway, served meals and collected warm clothing. Bear Claw Casino & Hotel volunteers also assist at the local round dance and Carlyle Food Bank. Our volunteers are pleased to be making a positive difference in the communities where we live and work.

Sponsorship Highlights

- Annual Moose Mountain Rodeo
- All Folk'd Up Music Festival
- Whitewood Chacachas Rodeo
- Travelling Diabetes Resource Program
- Archaeo Caravan – Museum education program
- Brighter Futures for Children 2014
- Regina Treaty Status Indian Services Christmas hampers
- Regina Urban Treaty Days
- Estevan Golden Eels Summer Meet
- Learning the Land Education Project
- White Bear Education Complex Annual Inter-School Pow Wow
- Deep South Barrel Racing Series
- White Bear Ladies Golf Tournament
- 13th Annual Perogy Run
- Women's Health Day

DAKOTA DUNES CASINO Whitecap Dakota First Nation Gary Daniels, GM

Dakota Dunes Casino

BUILDING SUCCESS

Operational Highlights

Dakota Dunes Casino opened in August 2007 and is one of SIGA's largest properties. The casino is located on Whitecap Dakota First Nation and features an award winning design that artistically captures the natural rolling hills, wild grass and dunes found in the region.

The casino facility contains 86,500 square feet of entertainment space with 620 slot machines, 22 table games and a ten station Touchbet Electronic Roulette/Mini-Baccarat game. The casino also provides a full-service recently refreshed restaurant and a fully functional multi-purpose room for large banquets and other special events. The Dakota Dunes Casino has Responsible Gaming accreditation.

Dakota Dunes Casino hosted a number of conferences and performances this past year including Rap/Hip-Hop duo Salt-N-Pepa with Eekwol, Diva's – Bonnie Kilroe (tribute show), Rory Allen (tribute show), Irish Rovers, the Amazing Kreskin and UFC Fighter Randy Couture.

Employee Development Highlights

The casino employs over 440 people from the region of which 73% of employees identified as First Nations. The management team continues to focus on developing its work force by providing educational opportunities for its employees. A total of 1,783 learning participants engaged in training in the 2015-2016 fiscal year. The Human Resources team is committed to working together to create a happy working culture.

SHARING SUCCESS

Volunteerism

The volunteer committee took on a variety of community initiatives this past year. Casino volunteers adopted St. Mary's School, served Christmas Dinner and collected toys for classrooms. In addition, a bus full of toys and other items were given to the Salvation Army.

Sponsorship Highlights

- KidSport
- St. Mary's Wellness & Education Centre Dance Troupe & Pow Wow
- City Hospital Foundation
- 2015 Saskatoon Chamber of Commerce "Celebrate Success" Awards
- 2015 National Aboriginal Curling Championship
- Ronald McDonald House
- Saskatoon Pride Parade
- Saskatoon Indian & Métis Friendship Centre
- Kidney Walk
- White Buffalo Youth Lodge

GOLD EAGLE CASINO Mosquito First Nation Kelly Atcheynum, GM

BUILDING SUCCESS

Operational Highlights

The Gold Eagle Casino's 37,772 square feet includes a large gaming floor featuring 325 slot machines, 8 live table games, deli, licensed gaming floor bar, multi-purpose room adjacent to the gaming floor, Kihiw Restaurant and the Event Centre.

The Kihiw Restaurant is one of the Battlefords' premiere restaurants, known for its unique cuisine and hospitality. The Event Centre was the host of meetings, weddings, entertainment/shows and conferences. This venue hosted a variety of entertainment acts over the year including: Comedian Tom Green, The Sheepdogs, One Bad Son, Sawyer Brown, The Lonely (Roy Orbison tribute), Theory of a Dead Man, Irish Rovers and many other amazing acts.

Gold Eagle Casino (GEC) opened the doors to the 5,000 square foot smoke room expansion in August 2015. The room features a state of the art raised floor ventilation system. With the expansion, a 1,054 square foot multi-purpose room was built adjacent to the gaming floor which seats up to 75 guests. Additionally, a prep room was built onto the event centre to improve the food service and overall service for our patrons.

The GEC is committed to responsible gaming. With the coordination of Central Office, GameSense was introduced this year and GEC continues to maintain their RGCheck accreditation.

Employee Development Highlights

GEC continues to be one of the largest employers in the Battlefords, employing over 320 people. This year GEC opened up a new training lab designated for training and onboarding of new staff. In addition to the 43 training events offered for our employees, GEC shifted the development outside of core training and invested in certificates, professional designations and developmental conferences supported by SIGA. GEC has also successfully created several work placement partnerships with local First Nation and non-First Nation institutions.

SHARING SUCCESS

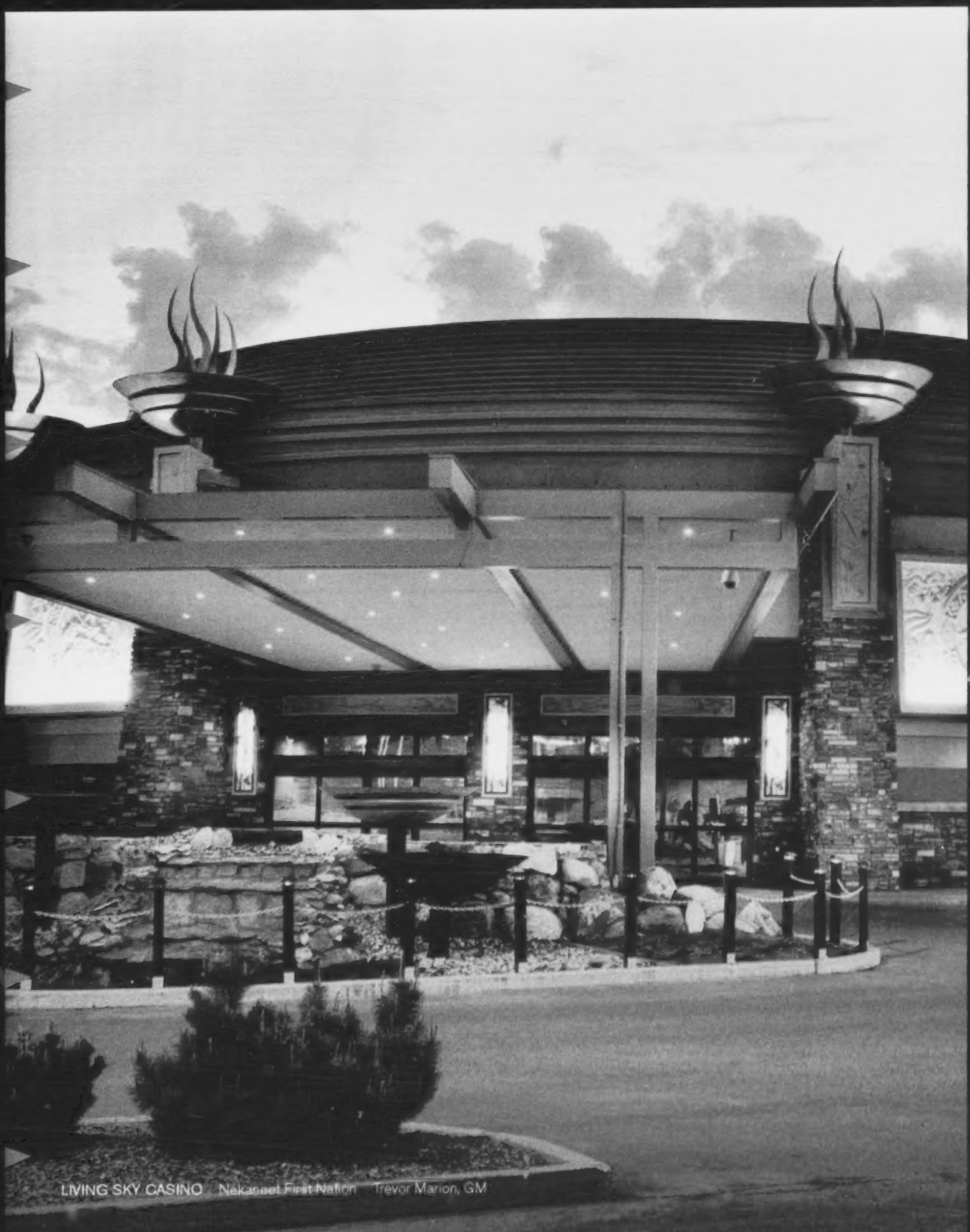
Volunteerism

GEC employees contributed over 360 volunteer hours in the community. Volunteer hours were contributed to the following organizations: Meals on Wheels program, Midwest Food Resources, Battlefords Indian & Métis Friendship Centre, Battlefords Humane Society, Cornerstone Soup Kitchen and Operation Red Nose, City of North Battleford (annual community clean up). GEC continues to support the Red Cross Pink Day and actively donates blood throughout the year. The Casino donates annually towards the Safe Grad functions for John Paul II Collegiate, North Battleford Comprehensive High School and Sakewew High School.

We have many employees that assist and coach sports and who are involved in various boards such as Saskatchewan Tourism, Battleford Union Hospital Foundation, Rotary Club, Chamber of Commerce, Royal Canadian Air Cadets, Battlefords Legion, Victim Services, Youth Groups and Cornerstone Community Outreach.

Sponsorship Highlights

- Battlefords Union Hospital Foundation
- North Battleford Boys & Girls Club
- Battlefords Indian and Métis Friendship Centre
- North Battleford North Stars
- Battlefords Sexual Assault Centre
- Ducks Unlimited
- Battlefords Dance Festival
- Northwest Territorial Days
- Meadow Lake Rodeo
- Operation Red Nose
- Big Brothers Big Sisters
- Bully Free Battlefords
- Battlefords Kiwanis Music Festival


LIVING SKY CASINO Nekaneet First Nation Trevor Marion, GM

Living Sky Casino
Live it up.

BUILDING SUCCESS

Operational Highlights

The Living Sky Casino features a circular First Nations themed gaming floor with 200 slot machines, five table games and a delicious menu in Horizons Restaurant. The Sky Centre can transform into a 565 seat theatre that showcases a wide array of entertainment. We also take great pride in hosting local theatre productions, choirs and dance recitals.

Artists presented in the Sky Centre this last year included Skid Row, Mark Chesnutt, The Lonely - a tribute to Roy Orbison, Comedian Erica Sigurdson, All You Need Is Love – a tribute to the Beatles, Ventriloquist Damien James and The Ring of Fire – the music of Johnny Cash Dinner Show. Live entertainment was also offered free to the public on the gaming floor from the lounge stage. The Sky Centre is a multi-purpose facility with full banquet service and a variety of room configurations for gatherings and special events. The Living Sky Casino has Responsible Gaming accreditation.

Employee Development Highlights

Living Sky Casino employs over 180 people from the surrounding region. The casino impacts and adds value to the local economy through the provision of training and development opportunities for their employees.

Living Sky Casino employees garner valuable knowledge, skills and abilities by following SIGA's Learning & Development strategies which includes core training, customer service skills, and an emphasis on career planning and leadership development.

SHARING SUCCESS

Volunteerism

Living Sky Casino has an energetic volunteer committee that consistently makes a positive impact in the community of Swift Current. Living Sky Casino volunteers donate valuable volunteer hours to many local organizations and charities.

Volunteers supported the Meals on Wheels program which serves a very important role to many in the community; the Salvation Army Food Hamper Drive & Build; Dr. Noble Irwin Foundation's Annual "Your Family's Health Radiothon"; Picnic in the Park BBQ for Special Olympics; and the Canadian Mental Health Association's Walk for Wellness.

Sponsorship Highlights

- 2016 World Women's Curling Championship
- Frontier Days
- Saskatchewan Abilities Council
- Dr. Noble Irwin Foundation
- Windscape Kite Festival
- Nekaneet Youth, Sports & Rec.
- Swift Current Allied Arts Council (SCAAC)
- Swift Current United Way (Gala of Hope)
- Kyle Community Rodeo
- Great Plains College (Sundogs Auction, Carhartts & Caviar Welding Showcase)
- Beechy Western Days

NORTHERN LIGHTS CASINO Peter Ballantyne Cree Nation Richard Ahenakew, GM

NORTHERN LIGHTS CASINO

BUILDING SUCCESS

Operational Highlights

The Northern Lights Casino (NLC) is located in Prince Albert, Saskatchewan – the "Gateway to the North & South". Our dedicated employees deliver reliable, courteous and consistent customer service to ensure a positive and unique experience.

The casino hosts a warm, traditional northern decor with an open design. The 46,300 square foot casino offers 590 slot machines, 11 live game tables – plus monthly slot and poker tournaments.

Northern Lights Casino provides a skywalk connected to the Prince Albert Inn and a casino shuttle service which operates daily for local patrons.

The newly renovated North Star Restaurant showcases local products from Saskatchewan including fresh pickerel and certified organic potatoes from Meadow Lake.

The Starlight Lounge located on the upper lever provides live weekend music, Karaoke and Monday Night Old-Time fiddling – a classic favourite. Monthly dinner events showcase exceptional entertainment such as Carroll Baker, Ray St. Germain, Daylin James (tribute), The Tiroler Brass Band, Gary Martin, The Emeralds and Rosie & The Riveters.

A yearly highlight is the NLC Thanksgiving Pow Wow which has a significant positive economic impact on Prince Albert.

Employee Development Highlights

As one of the city's top three employers, Northern Lights Casino has a team of over 410 employees. This year we celebrated 48% of the work force receiving awards for five or more years. NLC employs 77% First Nations people which makes us the largest employer of First Nations people in the city of Prince Albert.

Our employees are responsible for the success of Northern Lights Casino. We support their contribution through many in-house training programs like First Aid/CPR, WHIMIS, FINTRAC, Responsible Gaming and SIGA Leadership courses. We also offer nationally recognized training courses such as Service Best and Serve it Right through the Saskatchewan Tourism Education Council.

SHARING SUCCESS

Volunteerism

Wild fires in northern Saskatchewan during the summer of 2015 created a serious need for community support. NLC purchased pillows, blankets, towels and clothing for evacuees who were displaced from their homes for over six weeks. Two BBQs were organized to feed over 800 people with NLC volunteers stepping up to cook the food, making a difference in the local community.

NLC has also volunteered with organizations like Prince Albert Food Bank, Prince Albert Grand Council Urban Services, the Heart and Stroke Foundation and the Prince Albert Women's Shelter's First Annual "Walk a Mile in Her Shoes".

NLC Management and Staff are recognized for their service on boards and charities throughout the year.

Sponsorship Highlights

- Prince Albert Children's Haven
- Mont St. Joseph Senior Care Home
- Two Miles for Mary Senior Transportation
- PA Outreach Program – Remembering Our Youth
- John M. Cuelenaere After School Program
- City of Humboldt Summer Sizzler Event
- Opawikoscikan Community School Graduation
- Treaty 4 Education Alliance Learning the Land Project
- Northern Hamlet of Weyakwin Molanosa Day
- Northern Saskatchewan Trappers Association
- Hector Thiboutot Community School Sokatsiwin Culture Camp
- Big Brother Big Sisters of Prince Albert
- Prince Albert Chamber of Commerce
- Army, Navy & Air Force Veterans

BUILDING SUCCESS

Operational Highlights

The Painted Hand Casino (PHC) is a $30M, 43,000 square foot uniquely designed facility, featuring a design that artistically captures its geographic region. The circular, open concept gaming floor has 250 slot machines, four Black Jack Tables, one Poker Table and Roulette.

Additional amenities found at the PHC are the Legends Restaurant, 4 Aces Saloon Bar and Lounge area, as well as an event centre which hosts a wide variety of events throughout the year. PHC has two designated smoking rooms, one of them being a high limit slot room, as well as a large smoke room which houses a variety of denominations in slot machines. PHC has Responsible Gaming accreditation.

This year, PHC saw a wide variety of talent which has generated positive feedback from our valued patrons. Entertainment such as Carroll Baker, Don Burnstick, The Lonely – Tribute to Roy Orbison, Hotel California – The Original Eagles Tribute. Our first major show in January 2016, Theory of a Deadman, created a huge hype in Yorkton and sold out the PHC Event Centre.

The casino celebrates National Aboriginal Day, hosts Business Appreciation meet and greets, appreciation events for our VIP patrons, local business Christmas parties during the holiday season as well as monthly patron birthday parties. In June 2015, the casino hosted its 15th Annual Painted Hand Casino Pow Wow which brought people to Yorkton from near and far to celebrate First Nations culture.

Employee Development Highlights

The Painted Hand Casino is one of Yorkton's largest employers, with over 220 employees. PHC takes pride in the fact that over 93% of its employees have achieved core training in Hospitality and Customer Service. The PHC supports employees who take the initiative to continue their post-secondary education in hopes of excelling and advancing in their personal and professional lives. The PHC makes every effort to reward and utilize the existing talent pool by way of promotions, temporary appointments and work status changes.

SHARING SUCCESS

Volunteerism

The PHC team of volunteers joined with local organizations to make a positive impact in the community through numerous volunteer hours.

This year the PHC volunteers took time to help set up the 2nd Annual Co-op Pumpkin Walk; this allowed the community's children to celebrate Halloween in a safe environment.

The PHC volunteers were a support to Big Brothers Big Sisters in Yorkton. Big Brothers Big Sisters is a non-profit organization that is involved in the development of our youth. The PHC supported Bowl for Kids Sake, Golf for Kids Sake and volunteered at their Car Show and BBQ. The volunteers also helped with the Montreal Canadiens Alumni game that was hosted in Yorkton.

Sponsorship Highlights

- Yorkton Exhibition Summer Season
- Yorkton Film Festival
- Sakimay Pow Wow
- YFC Annual Christmas
- Canadian Junior Girls Golf Tournament
- Yorkton Terriers Sportsman Dinner
- Saskatchewan Country Music Awards – 2015
- 1st Annual Fishing Lake Youth Golf Tournament
- Recreational and Cultural Programming
- Yorkton Chamber of Commerce Annual Business Dinner
- 2016 Sakewewak Storytellers Festival
- Paws & Claws Animal Rescue

BUILDING SUCCESS

CREATING A BETTER FUTURE FOR OUR PEOPLE

STRATEGIC PLAN OVERVIEW

SIGA's strategic plan focuses on developing an intimate relationship with customers and offering products and services to those customers that increase revenue, income and employment.

Utilizing the Balanced Scorecard Methodology, SIGA has developed strategic objectives and strategic initiatives. For each strategic objective, performance measures and targets have been established for a rolling five-year period. For strategic initiatives SIGA has designated a member of the executive team to act as project sponsor and milestones have been established to track the progress of the initiatives.

SIGA has developed its strategic plan utilizing the Balanced Scorecard model to look at our business from the viewpoint of owners and customers to determine what products and services we must offer and what key business processes satisfy customer needs. This model allows SIGA to demonstrate how staff are supported to meet customer needs by the organization's investments in educational programs and technology.

SHAREHOLDER PERSPECTIVE

What are the outcomes expected by our owners?

Strategic Objectives	Performance Indicators	Progress/Results/Measure
Optimize Net Income	Revenue	$258.3M
	Net income	$86.3M
Grow & Develop First Nations Employment	Total number of First Nations Employees	SIGA continues to be a leader in engaging, growing and developing a First Nations workforce with 65.55% of our employee base being First Nation (1,229) and 64.86% of managers being First Nation (72).
Support First Nations Economic Development	Total Payments to First Nations Companies	$22.3M

CUSTOMER PERSPECTIVE

What are our customers looking for?

Our strategy is "customer intimacy".

Strategic Objectives	Performance Indicators	Progress/Results/Measure
Entertainment and Hospitality Experience	Become the first choice entertainment destination for customers by offering unique entertainment options in the markets we serve.	Large segment of population rate casino as top entertainment destination in town. Visitors agree they would recommend the casinos to others. There was a high percentage of adults in local market who have visited the casino once in the last year.
Recognition and Appreciation	Value the contribution of every customer through personal interaction. Guest satisfaction target was 45% of guests being extremely satisfied.	Guest satisfaction with friendliness of staff was rated very high. Rated very high that they are recognized and appreciated by staff. Increased Players Club membership. Overall guest satisfaction was 51.7%.
Quality Value-Priced Dining	Be recognized for providing consistent, high quality dining options that meet the expectations of each of the market segments we serve and are rated by our customers as providing exceptional value for the price charged. Target 50%.	Guest surveys indicated a very high satisfaction level with quality of food – Actual 51.7%.
Memorable Facilities & Convenient Services	Be recognized as the highest quality entertainment facility in each market we operate in by incorporating customer convenience into the services we provide. Guest very satisfied. Atmosphere Target 47%.	Guest satisfaction with overall atmosphere rated very high at 49.7%.

INTERNAL PERSPECTIVE

What services do we need to provide to excel?

To achieve our desired outputs SIGA will focus on several business process enhancements that are grouped in three primary themes: Customer Service Excellence, Grow and Develop the Business and Operational Excellence.

	Strategic Objectives	Performance Indicators	Progress
Customer Service Excellence	Tend to VIP	Recognize the importance of customers with a high value through segmented pricing promotion and customer service standards.	Target exceeded via numerous VIP appreciation events which included dinner shows, live entertainment and special events.
	Exciting Entertainment	Create a winning atmosphere by celebrating wins and engaging customers with exciting and innovative promotions and events.	Two annual SIGA-wide events (Poker and Slot tournaments). Welcomed over 25,000 new Players Club members. Players Club visits continue to increase although marginally. Live entertainment and a variety of promotions and activities continue to draw customer participation.
	Know the Customer	Work continues on developing psychographic and demographic profiles of our customers. This helps us better serve our customers. This data is analyzed and integrated as a regular part of our decision-making process.	Introduces U-Spin in four province-wide promotions that saw 7,000 members rewarded with over $26,000 in free-slot play.
	Customer Service Technology	Utilize technology to enhance the delivery of customer service.	Bally (CMS) introduced: U-Spin, elite bonus.
	New Product Development	To research and develop gaming-related products and services that will add value to our customers.	• Vending Machine product • New Smoke Signal • Wide Area Progressive game
	Organizational Excellence	Corporate Social Responsibility (CSR)	Meet or exceed targets for public opinion polling.
	Operational Efficiency	Increasing the efficiency of key business processes to optimize productivity and income.	Meet targets to reduce salaries and benefits. Budget by controlling variable labour.

LEARNING & GROWTH

Our most important resource is our people

One of SIGA's founding mandates is to grow and develop First Nations people. SIGA is committed to the career, training and educational development of its employees and believes it is a critical factor in achieving its strategic business goals and objectives.

Strategic Objectives	Performance Indicators	Progress/Results/Measure
Talented Workforce	Employees who have completed core training. Target 80%.	Investing in our employees is a priority for SIGA. SIGA's Core Training program is one of the ways SIGA invests in its employees, where all employees take required training within their first year of employment. SIGA exceeded an aggressive core training target achieving an 89% core training completion rate. Complimentary to this, employees have strongly indicated that they receive enough training to do their job well (4.13 out of 5) and had the opportunity for growth (3.98 out of 5) on employee satisfaction surveys that were done throughout year.
Leadership Development	Developing our leaders to motivate and inspire teams to accomplish SIGA's vision and mission as an organization.	348 of SIGA's leaders (supervisors and managers) have participated in SIGA's in-house built Leadership Development Program over the fiscal year. Leaders attended five (5) modules with a sixth module "SIGA Business Acumen" being developed in the new fiscal year. Throughout the year, there were over 40 permanent internal promotions, thousands of hours of TPHD (Temporary Performance of Higher Duties) and acting appointments which provide employees with opportunities to grow and develop their leadership skills.
Engaged Workforce	Employee Satisfaction and Engagement	Growing SIGA's reputation as an employer of first choice and a great place to work while ensuring competitive pay, benefits, safe workplace and rich opportunities for learning and development are key areas of focus. Health & Wellness programming and services continue to promote healthy lifestyles amongst our employees and their families. Using the Conference Board of Canada engagement criteria, SIGA continues to have a strong employee engagement rating of 90%. Employees appreciate the flexibility in maintaining work-life balance and support SIGA's guiding principles, leadership and fair performance objectives.
	Employee Volunteerism – 22% of all SIGA employees	Employee volunteer participation exceeded. Volunteer partnerships have been developed with local charitable organizations in all communities where we operate (at least two per community).

RISK MANAGEMENT

At SIGA, business risk is defined as the degree of exposure associated with the achievement of key strategic financial, organizational and process objectives. Principal risks and uncertainties that could affect SIGA's future business results are of primary concern.

RISK MANAGEMENT GOVERNANCE STRUCTURE

Although the SIGA Board is ultimately accountable for overseeing risk management within SIGA, as a whole it has assigned responsibility to the Audit & Finance Committee to oversee SIGA's risk assessment and risk management processes. SIGA senior executives are responsible for ensuring key business risks are identified, defined and prioritized. Executive risk owners are engaged and charged with risk mitigation within limits established by the SIGA Board of Directors. This data is compiled in a corporate risk profile that is reported to the Audit & Finance Committee on a quarterly basis. Results of the quarterly risk and control assessment are incorporated into the strategic planning process.

There are a range of factors that may impact SIGA's results. Risks that could negatively affect our results and performance include:

STRATEGIC RISK

Risk Reputation – We recognize damage to reputation as the most severe risk SIGA faces. Our efforts to mitigate reputation risks include continual building of goodwill by effective communication with stakeholders, commitment to sustainability, transparency, leading-edge corporate governance and best practices.

Economic Slowdown – Changes in the economy impact the amount of disposable income people have to spend on entertainment, resulting in reduced gaming revenues. SIGA monitors the external environment and the individual performance of each property.

FINANCIAL RISKS

Liquidity Risk – The risk that SIGA is unable to meet its financial commitments as they become due or can only do so at excessive costs. SIGA manages its cash resources based on financial forecast and anticipated cash flows.

Theft of Assets – We recognize the extreme importance of maintaining strong controls over the safeguarding of cash and cash equivalents as specific to the gaming industry. SIGA manages these risks through the design of internal controls to mitigate such occurrences.

ORGANIZATIONAL AND PROCESS RISKS

Risk with Loss of Key Personnel – SIGA recognizes the impact to the organization if there was a loss of key personnel. In order to mitigate the impact of such a loss, executive and senior management succession plans are in place.

Information Risks – SIGA recognizes information for decision making requires accurate, complete and timely reporting of financial and operational performance. SIGA manages these risks through continual evaluation of the internal controls over financial reporting for new and existing systems.

FINANCIALS

INDEPENDENT AUDITOR'S REPORT

To the members of the Saskatchewan Indian Gaming Authority Inc.

We have audited the accompanying financial statements of the Saskatchewan Indian Gaming Authority Inc., which comprise the statement of financial position as at March 31, 2016, and the statements of comprehensive income, changes in deficit and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Saskatchewan Indian Gaming Authority Inc. as at March 31, 2016, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards.

Deloitte LLP

Chartered Professional Accountants, Chartered Accountants, Licensed Professional Accountants
June 1, 2016
Saskatoon, Saskatchewan

STATEMENT OF FINANCIAL POSITION

As at March 31, 2016	2016	2015
Current Assets		
Cash and cash equivalents	**$ 22,113,742**	$ 24,877,957
Short-term investments (Note 4)	**41,080,000**	46,282,500
Accounts receivable (Note 5)	**2,454,511**	2,140,125
Inventories (Note 6)	**626,566**	612,846
Prepaids	**2,416,873**	2,433,212
	68,691,692	76,346,640
Intangible Assets (Note 7)	**128,262**	340,892
Property and Equipment (Note 8)	**108,458,217**	107,611,699
	$ 177,278,171	$ 184,299,231
Current Liabilities		
Due to Saskatchewan Liquor and Gaming Authority (Note 9)	**$ 57,571,703**	$ 61,418,839
Accounts payable and accrued liabilities (Note 10)	**19,481,422**	18,712,551
Current portion of long-term debt (Note 11)	**5,402,812**	5,456,329
Current portion of finance lease obligation (Note 12)	**3,076,821**	2,956,909
	85,532,758	88,544,628
Long-Term Debt (Note 11)	**36,377,329**	42,041,418
Finance Lease Obligation (Note 12)	**55,368,084**	53,713,185
Interest Rate Swap Liability (Note 11)	**5,443,107**	6,231,550
	182,721,278	190,530,781
Deficit Resulting from Unrealized Losses on Interest Rate Swaps	**(5,443,107)**	(6,231,550)
	$ 177,278,171	$ 184,299,231

See accompanying notes to the financial statements

Approved By The Board

Director

Director

STATEMENT OF COMPREHENSIVE INCOME

Year Ended March 31, 2016	2016	2015
Revenue (Note 14)	**$ 258,378,839**	$ 256,464,165
Salaries and benefits expense	**78,187,701**	77,593,630
Materials and consumables (Note 15)	**20,486,185**	20,789,007
Slot machine expenses	**18,666,873**	16,448,971
Advertising	**13,207,849**	15,962,287
Depreciation and amortization expenses	**11,067,095**	9,654,002
Building rent and occupancy	**10,159,146**	11,506,254
Finance costs (Note 17)	**8,052,937**	7,950,716
Other expenses (Note 16)	**6,318,239**	6,556,203
Payment to Indigenous Gaming Regulators Inc. (Note 23)	**3,300,000**	3,300,000
Payment to Saskatoon Prairieland Park Corporation (Note 23)	**2,600,004**	2,600,004
	172,046,029	172,361,074
Income Due To Saskatchewan Liquor And Gaming Authority (Note 1)	**86,332,810**	84,103,091
Unrealized Gain (Loss) on Interest Rate Swaps (Note 11)	**788,443**	(1,027,796)
Total Comprehensive Income For The Year Before Distribution To Saskatchewan Liquor And Gaming Authority (Note 1)	**$ 87,121,253**	$ 83,075,295

See accompanying notes to the financial statements

STATEMENT OF CHANGES IN DEFICIT

Year Ended March 31, 2016	2016	2015
Deficit Resulting From Unrealized Losses On Interest Rate Swaps		
Balance, beginning of year	**$ (6,231,550)**	$ (5,203,754)
Total comprehensive income for the year before distribution to Saskatchewan Liquor and Gaming Authority (Note 1)	**87,121,253**	83,075,295
Distribution payable to Saskatchewan Liquor and Gaming Authority (Note 9)	**(86,332,810)**	(84,103,091)
Balance, end of year	**$ (5,443,107)**	$ (6,231,550)

See accompanying notes to the financial statements

STATEMENT OF CASH FLOWS

Year Ended March 31, 2016	2016	2015
Cash Flows From (Used In) Operating Activities		
Total comprehensive income for the year before distribution to Saskatchewan Liquor and Gaming Authority	**$ 87,121,253**	$ 83,075,295
Adjustments for:		
Depreciation and amortization	**11,067,095**	9,654,002
Finance costs	**8,052,937**	7,950,716
Unrealized (gain) loss on interest rate swaps	**(788,443)**	1,027,796
Change in non-cash working capital:		
Accounts receivable	**(314,386)**	260,126
Inventories	**(13,720)**	(99,174)
Prepaids	**16,339**	(422,840)
Accounts payable and accrued liabilities	**768,871**	3,584,013
Payments to Saskatchewan Liquor and Gaming Authority (Note 9)	**(90,179,946)**	(88,914,665)
	15,730,000	16,115,269
Cash Flows From (Used In) Investing Activities		
Purchase of intangible assets	**(295,470)**	(535,576)
Purchase of property and equipment	**(6,932,913)**	(6,535,173)
Recognition of asset under finance lease	**(4,472,600)**	(15,286,273)
Purchase of short-term investments	**(222,514,863)**	(46,282,500)
Proceeds on disposal of short-term investments	**227,717,363**	5,282,500
	(6,498,483)	(63,357,022)
Cash Flows Used In Financing Activities		
Interest paid	**(8,052,937)**	(7,950,716)
Recognition of finance lease obligation	**4,472,600**	15,286,273
Repayment of finance lease obligation	**(2,697,789)**	(1,397,797)
Repayment of long-term debt	**(5,717,606)**	(5,455,328)
	(11,995,732)	482,432
Decrease In Cash Position	**(2,764,215)**	(46,759,321)
Cash And Cash Equivalents, Beginning Of Year	**24,877,957**	71,637,278
Cash And Cash Equivalents, End Of Year	**$ 22,113,742**	$ 24,877,957

See accompanying notes to the financial statements

NOTES TO THE FINANCIAL STATEMENTS

Year Ended March 31, 2016

1. GENERAL INFORMATION

Saskatchewan Indian Gaming Authority Inc. ("SIGA") is incorporated under *The Non-profit Corporations Act, 1995* of Saskatchewan as a Charitable Corporation. Class A Memberships in SIGA are owned by the Federation of Saskatchewan Indian Nations ("FSIN") and each of ten Tribal Councils in Saskatchewan that are recognized by the Saskatchewan Indian Gaming Commission of the FSIN, as well as one independent member. The Government of Saskatchewan and the FSIN completed a Framework Agreement in 2002 that authorizes SIGA to operate casinos. SIGA operates six casinos in accordance with the 2002 Casino Operating Agreement ("Agreement") with Saskatchewan Liquor and Gaming Authority ("SLGA"). SLGA is responsible for the overall conduct and management of the slot machines in those casinos as required under *The Criminal Code of Canada*. Under the Agreement, SIGA is entitled to withhold the casinos' operating expenses, incurred in accordance with the operating policies and directives approved by SLGA, from slot machine revenues. SIGA is required to deposit the remainder into a trust account for SLGA in accordance with the procedures and formulas specified in the Agreement as outlined below. Under the Agreement, SIGA is entitled to recover, in any year, any net loss from the operation of licensed table games and ancillary operations from the net income earned from the operation of slot machines. The Agreement provides for SIGA to use any net income from the operation of licensed table games for charitable or religious objects or purposes. The Agreement expires on June 10, 2027.

The Agreement also provides for SIGA to remit to SLGA the net income from the operation of the slot machines in the SIGA casinos. More specifically, net income from the operation of slot machines is remitted to SLGA in accordance with a formula as defined in the Agreement. This formula provides for SIGA to remit to SLGA, on a weekly basis, one-half of the amount by which actual slot machine gaming revenue exceeds one-fifty-second of SIGA's annual budget. Shortfalls in weekly slot machine gaming revenue as compared to budget are recoverable against future remittances. The remaining one-half of the amount determined above is remitted to SLGA within one hundred and eighty days of the applicable week. Pursuant to the Agreement, if, at the end of any operating year, SIGA has not been fully reimbursed for amounts to which it is entitled for the operation of casinos, such amounts may be recovered from future operations. SIGA is allowed to retain $5,000,000 as a capital reserve for the sole purpose of acquiring capital assets.

Also, under the Agreement, SIGA has granted a first charge security interest on all its present and after acquired assets to SLGA to secure contractual obligations of SIGA under the Agreement. However, the Agreement requires that upon joint written request by SIGA and its lenders, SLGA shall postpone such security in favour of the lenders who require a prior charge relating to funds lent to SIGA for the financing of its operations carried out in accordance with the Agreement.

On June 11, 2002, the Government of Saskatchewan and the FSIN signed a gaming Framework Agreement which expires on June 10, 2027. The Government must distribute, in accordance with the provisions of the Framework Agreement, the income remitted to SLGA. Under the provisions of the 2002 Framework Agreement, the Government of Saskatchewan, as represented by the Minister responsible for SLGA, is entitled to recover its proportion of expenses that SLGA determines are not in accordance with the approved operating policies and directives from the future amounts payable to the First Nations Trust Fund.

Effective for the year ended March 31, 2008 and subsequent years, the Casino Operating Agreement between SLGA and SIGA was amended to exclude unrealized gains and losses on interest rate swaps from the calculation of net Casino profits payable to SLGA.

SIGA was incorporated under *The Non-profit Corporations Act, 1995* and is not subject to income tax under the provision of paragraph 149(1)(l) of the *Income Tax Act* (Canada). SIGA pays Goods and Services Tax and Provincial Sales Tax to government agencies and claims input tax credits on its ancillary operations.

SIGA is a corporation domiciled in Canada. SIGA's head office is located at 103 Packham Avenue in Saskatoon, Saskatchewan, Canada, S7N 4K4.

2. BASIS OF PREPARATION AND STATEMENT OF COMPLIANCE

These financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB").

These financial statements for the year ended March 31, 2016, were authorized for issue by the Board of Directors (the "Board") on June 1, 2016.

SIGA has prepared these financial statements using the historical cost basis unless otherwise noted in the significant accounting policies. These financial statements are presented in Canadian dollars, which is SIGA's functional currency.

3. SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies used in the preparation of these financial statements are summarized below. These accounting policies have been applied consistently to all years presented in these financial statements.

Use of Estimates, Key Judgments and Assumptions

The preparation of the financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, and disclosure of contingent assets and contingent liabilities at the date of these financial statements as well as the reported amounts of revenue and expenses during the reporting year.

Accordingly, actual results could differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the year in which the estimates are revised and in any future years affected.

Significant areas requiring the use of management estimates, judgments and assumptions are further described in the following summary of significant accounting policies and related notes:

- Useful lives and depreciation and amortization of property and equipment and intangible assets (Notes 3, 7 and 8)
- Customer loyalty program (Note 3)
- Accrued liabilities
- Assessment of impairment of property plant and equipment (Note 3)
- Classification of finance and operating leases (Notes 12 and 23)

Cash and Cash Equivalents

Cash and cash equivalents includes cash on hand and on deposit with an original maturity of less than or equal to three months, and certain short-term investments. The short-term investments included in cash and cash equivalents are highly liquid investments with an original maturity of less than or equal to three months.

Short-Term Investments

Short-term investments include any investments that have a term of more than three months, but less than one year from the statement of financial position date.

Accounts Receivable and Allowance for Doubtful Accounts

Management evaluates collectability of receivables depending on the customer and the nature of the balance. Collectability of receivables is reviewed and the allowance for doubtful accounts is adjusted quarterly if required. Account balances are charged to comprehensive income when management determines that it is probable that the receivable will not be collected.

Inventories

Inventories are valued at the lower of cost and net realizable value. The cost of inventories is determined using the most recent cost. Net realizable value is the estimated selling price in the ordinary course of business less all estimated costs to make the sale.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Property and Equipment

Property and equipment are recorded at cost less accumulated depreciation and accumulated impairment losses, if any. Cost includes expenditures that are directly attributable to the acquisition of the asset. When parts of an item of property and equipment have different useful lives, they are accounted for as separate items (major components) of property and equipment. Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the costs of those assets. SIGA ceases to capitalize borrowing costs when substantially all the activities necessary to prepare the qualifying asset for its intended use are complete.

Depreciation is recorded in the accounts on a straight-line basis commencing when they are available for use, at rates expected to depreciate the cost of the assets over their estimated useful lives as follows:

Asset	Rate
Leasehold improvements	lesser of the useful life of the asset and term of the lease
Casino development	40 years
Furniture & equipment	4-5 years

Depreciation methods are reviewed at each financial year end and adjusted prospectively, if appropriate.

Periodically SIGA evaluates whether changes to estimated useful lives are necessary to ensure that these estimates accurately reflect the economic use of the assets.

When property and equipment are disposed of or retired, the related costs less accumulated depreciation are derecognized. The gain or loss arising on the disposal or retirement of an item of property and equipment is determined as the difference between the sales proceeds less costs of removal and the carrying amount of the asset. The gain or loss on asset disposals and retirements is recognized in other revenue or expenses.

Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost, less any accumulated amortization and accumulated impairment losses, if any. SIGA's only identifiable intangible asset is software. Software costs include the cost of externally purchased software packages and, for internally developed programs, related external and direct labour costs. Maintenance of existing software programs is expensed as incurred.

Amortization is calculated on a straight-line basis over its estimated useful life of between 1 to 5 years. The amortization method and estimated useful life is reviewed annually and any changes are applied prospectively.

Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to SIGA. All other leases are classified as operating leases.

Assets held under a finance lease are initially recognized as assets of SIGA and are recorded at their fair value at the inception of the lease, or if lower, at the present value of the future minimum lease payments. The corresponding liability to the lessor is included in the statement of financial position as a finance lease obligation.

Lease payments are apportioned between interest expense and a reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liabilities. The interest component is recognized in finance costs in the statement of comprehensive income.

Operating lease payments are recognized as an expense on a straight-line basis over the lease term.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Impairment of Non-Financial Assets

At the end of each reporting period, SIGA reviews the carrying amount of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, SIGA estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units that a reasonable and consistent basis of allocation can be identified.

Recoverable amount is the higher of the fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized immediately in the statement of comprehensive income.

When an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in the statement of comprehensive income.

Revenues

Gaming revenue (slot and table revenues) represents the net win from those gaming activities calculated as the difference between amounts wagered and pay-outs by the casino. Gaming revenues are net of accruals for anticipated payouts of progressive jackpots and promotion allowances from the Players Club program.

Ancillary revenues include hotel, food, beverage and concession revenue and such revenues are recognized when the goods and services are provided.

Revenues exclude the retail value of food, beverage and other promotional allowances provided on a complimentary basis to guests. The cost of providing the complimentary items is included in direct operating expenses.

Commitment of Net Proceeds of Table Operations

Liabilities are recorded when amounts to be distributed are approved by the Board.

Allocation of Expenses

Table game operations

Costs allocated to table game operations include actual direct expenses, and an allocation of indirect site expenses based on the percentage of gross table revenue to total revenue on an individual casino site basis.

Central office costs are allocated to table game operations based on a percentage of gross table revenue to total revenue. These central office costs are then allocated to each casino site based on the percentage of each casino site's table net income to all casinos' table net income before the allocation of indirect site expenses.

Slot machine operations

Costs allocated to slot machine operations include actual direct expenses, and an allocation of indirect site expenses based on the percentage of gross slot revenue to total revenue on an individual casino site basis.

All remaining central office costs net of table games and ancillary allocations are allocated to slot operations. These central office costs are then allocated to each casino site based on its percentage of casino slot net income net of indirect site expenses.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Allocation of Expenses (continued)

Ancillary operations

Costs allocated to ancillary operations include actual direct expenses, and an allocation of indirect site expenses based on the percentage of gross ancillary revenue to total revenue on an individual casino site basis.

Central office costs are allocated to ancillary operations based on a percentage of gross ancillary revenue to total revenue. These central office costs are then allocated to each casino site based on the percentage of each casino site's ancillary net income to all casinos' ancillary net income before the allocation of indirect site expenses.

Customer Loyalty Program

As part of its customer loyalty initiative, SIGA offers a Players Club program to patrons. Under the program, club members accumulate reward points based on amounts wagered on slot machines. Members can redeem their points for cash or vouchers for free or discounted goods or services. SIGA records the points earned as a reduction of gaming revenue. Accounts payable and accrued liabilities are accrued for the estimated cost of the earned points balance at the end of the period under the Players Club program. If the patron chooses to redeem their points for a voucher for free or discounted goods or services, the revenue is determined by the fair value of the undelivered goods and services related to a customer loyalty program and remains in accounts payable and accrued liabilities until the promotional consideration is provided.

Employee Benefits

A defined contribution pension plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. SIGA's matching contributions to the defined contribution pension plan for employees are recorded as salaries and benefits expense in the statement of comprehensive income when services are rendered by employees.

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided.

Foreign Currency

Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated to SIGA's functional currency at the exchange rate at that date. Revenues and expenses are translated at rates of exchange prevailing on the transaction dates. Translation gains and losses on foreign currency denominated monetary items are taken into income in the current year.

Financial Instruments

Classification and measurement

All financial instruments are initially measured at fair value, plus transaction costs, except in the case of financial assets and liabilities classified as fair value through profit or loss ("FVTPL"). The classification of financial instruments at initial recognition depends on the purpose and management's intention for which the financial instruments were acquired or issued, their characteristics and SIGA's designation of such instruments. Measurement in subsequent periods depends on whether the financial instruments have been classified as FVTPL, loans and receivables, and other liabilities. An explanation of the nature of these classifications follows. SIGA's classifications of its financial instruments are disclosed in Note 20.

Financial assets are classified as at FVTPL when the financial asset is either held-for-trading or it is designated as at FVTPL.

A financial asset is classified as held-for-trading if:

- It has been acquired principally for the purpose of selling it in the near term; or
- On initial recognition it is part of a portfolio of identified financial instruments that SIGA manages together and has a recent actual pattern of short-term profit-taking; or
- It is a derivative that is not designated and effective as a hedging instrument.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial Instruments (continued)

Classification and measurement (continued)

A financial asset other than a financial asset held-for-trading may be designated as FVTPL upon initial recognition if:

- Such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or
- The financial asset forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with SIGA's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- It forms part of a contract containing one or more embedded derivatives, and IAS 39, *Financial Instruments: Recognition and Measurement* permits the entire combined contract (asset or liability) to be designated as at FVTPL.

Financial instruments classified as FVTPL are subsequently measured at fair value, with changes in fair value recognized in comprehensive income. The net gain or loss recognized in comprehensive income incorporates any dividend or interest earned on the financial asset. Fair value is determined in the manner described in Note 20.

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market that SIGA does not intend to sell immediately or in the near term. Loans and receivables are subsequently measured at amortized cost using the effective interest method, less any impairment. Interest income, calculated using the effective interest rate method, is recognized in comprehensive income.

Other financial liabilities include financial liabilities that have not been classified as FVTPL. Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Finance costs, calculated using the effective interest rate method, are recognized in comprehensive income.

Financial assets and liabilities are offset and the net amount reported on the statement of financial position when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis, or realize the asset and settle the liability simultaneously.

Transaction costs

Transaction costs are incremental costs that are directly attributable to the acquisition, issue or disposal of a financial asset or financial liability. Transaction costs include fees and commissions paid to advisors, brokers and dealers. Transaction costs do not include debt premiums or discounts or financing costs. Transaction costs are included in the initial carrying amount of financial instruments except for financial instruments classified as FVTPL, in which case they are expensed as incurred. SIGA uses trade date accounting for regular way contracts when recording financial asset transactions.

Effective interest method

The effective interest method is a method of calculating the amortized cost of a financial asset or financial liability and of allocating interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts or payments (including all fees paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial instrument, or when appropriate, a shorter period to the net carrying amount of the financial asset or financial liability on initial recognition.

Derecognition

SIGA derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in transferred financial assets that is created or retained by SIGA is recognized as a separate asset or liability. SIGA derecognizes a financial liability when its contractual obligations are discharged, cancelled or expire.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial Instruments (continued)

Derivative financial instruments

SIGA uses interest rate swap derivatives to manage its exposure to interest rate risk. Derivatives are initially recognized at fair value at the date that the derivative contract is entered into and subsequently measured at fair value with changes in fair value recognized through comprehensive income immediately.

Embedded derivatives

Derivatives may be embedded in other host instruments and are treated as separate derivatives when their economic characteristics and risks are not clearly and closely related to those of the host instrument, when the embedded derivative has the same terms as those of a stand-alone derivative, and the combined contract is not held-for-trading or designated at fair value. These embedded derivatives are measured at fair value with subsequent changes recognized in the statement of comprehensive income.

As at March 31, 2016, SIGA had no contracts (March 31, 2015 – none) with embedded derivatives that are required to be valued separately.

Fair value of financial instruments

Fair values approximate amounts at which financial instruments could be exchanged between willing parties based on current markets for instruments with similar characteristics such as risk and remaining maturities. Fair values are determined, where possible, by reference to quoted bid or asking prices in an active market. In the absence of an active market, SIGA determines fair value based on internal or external valuation models, such as discounted cash flow analysis or using observable market based inputs (bid and ask price) for instruments with similar characteristics and risk profiles. SIGA's own credit risk and the credit risk of the counterparty have been taken into account in determining the fair value of financial assets and liabilities, including derivative instruments. Fair value measurements are subjective in nature, and represent point-in-time estimates which may not reflect fair value in the future.

SIGA classifies fair value measurements recognized in the statement of financial position using a three-tier fair value hierarchy, which prioritizes the inputs used in measuring fair value as follows:

Level 1 – valuation based on quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 – valuation techniques based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

Level 3 – valuation techniques using inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Fair value measurements are classified in the fair value hierarchy based on the lowest level input that is significant to that fair value measurement. This assessment requires judgment, considering factors specific to an asset or a liability and may affect placement within the fair value hierarchy. See Note 20 for further discussion on the classification and fair value of financial instruments.

Impairment of financial assets (including receivables)

A financial asset not carried at FVTPL is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Impairment of financial assets (including receivables) (continued)

An impairment loss in respect of a financial asset measured at amortized cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. Losses are recognized in profit or loss in the statement of comprehensive income and reflected in an allowance account against receivables. Interest on the impaired asset continues to be recognized through the unwinding of the discount. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss in the statement of comprehensive income. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined if no impairment loss had been recognized.

Finance Costs

Finance costs comprise interest expense on borrowings not subject to capitalization, amortization of costs related to borrowings, interest on finance leases, and impairment losses recognized on financial assets.

Future Accounting Changes

A number of new standards and amendments to standards and interpretations are not yet effective for the year ended March 31, 2016 and have not been applied in preparing these financial statements. The following future standards are relevant to SIGA:

- IFRS 9, *Financial Instruments*. IFRS 9 has a significant impact on financial liabilities designated under the fair value option. In addition, IFRS 9 retains virtually all of the classification and measurement guidance in IAS 39, *Financial Instruments: Recognition and Measurement*. IFRS 9 is effective for annual periods beginning on or after January 1, 2018.
- IFRS 15, *Revenue from Contracts with Customers*. IFRS 15 will require revenue recognition to depict the transfer of goods or services to customers in amounts that reflect the consideration to which the company expects to be entitled in exchange for those goods or services. IFRS 15 is effective for annual periods beginning on or after January 1, 2018.
- IFRS 16, *Leases*. IFRS 16 brings most leases on-balance sheet for lessees under a single model, eliminating the distinction between operating and finance leases. Lessor accounting however remains largely unchanged and the distinction between operating and finance leases is retained. IFRS 16 is effective for annual reporting periods beginning on or after January 1, 2019. Earlier application is permitted if IFRS 15, *Revenue from Contracts with Customers*, has also been applied.

SIGA does not have any plans to early adopt any of the new or amended standards. The extent of the impact on adoption of these standards is not known at this time.

4. SHORT-TERM INVESTMENTS

Short-term investments consist of investments in guaranteed investment certificates and term deposits totaling $41,080,000 (2015 – $46,282,500). Individual interest rates range from 0.65% and 1.45% and will mature between April 5, 2016 and March 27, 2017.

5. ACCOUNTS RECEIVABLE

	March 31, 2016	March 31, 2015
Trade accounts receivable	**$ 1,875,768**	$ 1,499,651
GST input tax credits receivable	**313,937**	257,672
Advances to suppliers, contractors and employees	**264,806**	382,802
	$ 2,454,511	$ 2,140,125

SIGA's exposure to credit and impairment losses related to trade and other receivables is disclosed in Note 20.

6. INVENTORIES

Inventories totaling $7,101,731 were recognized as food and beverage cost of goods sold for the year ended March 31, 2016 (2015 – $6,965,920). No write-downs of inventories were noted for the year ended March 31, 2016 (2015 – $nil), and there were no reversals of write-downs from previous years.

7. INTANGIBLE ASSETS

	Software
Cost	
Balance at March 31, 2014	$ 4,173,284
Additions	535,576
Balance at March 31, 2015	4,708,860
Additions	295,470
Balance at March 31, 2016	$ 5,004,330
Accumulated amortization and impairment	
Balance at March 31, 2014	$ 4,142,235
Amortization expense	225,733
Balance at March 31, 2015	4,367,968
Amortization expense	508,100
Balance at March 31, 2016	$ 4,876,068
Net Book Value – March 31, 2015	$ 340,892
Net Book Value – March 31, 2016	**$ 128,262**

The amortization expense for software for the year ended March 31, 2016 was $508,100 (2015 – $225,733) and is included in depreciation and amortization expenses in the statement of comprehensive income. There were no write-downs of software due to impairments for the year ended March 31, 2016 (2015 – $nil).

8. PROPERTY AND EQUIPMENT

	Leasehold Improvements	Casino Developments	Furniture & Equipment	Construction In Progress	Total
Cost					
Balance at March 31, 2014	$ 43,331,721	$ 102,939,676	$ 45,715,642	$ 805,078	$ 189,792,117
Additions	487,370	15,286,273	2,691,122	3,428,945	21,893,710
Transfers	–	–	–	(72,264)	(72,264)
Balance at March 31, 2015	43,819,091	118,225,949	45,406,764	4,161,759	211,613,563
Additions	1,443,961	10,629,700	2,707,246	19,001	14,799,908
Transfers	–	–	–	(3,394,395)	(3,394,395)
Balance at March 31, 2016	$ 45,263,052	$ 128,855,649	$ 48,114,010	$ 786,365	$ 223,019,076
Accumulated depreciation					
Balance at March 31, 2014	$ 28,019,324	$ 30,824,509	$ 35,729,762	$ –	$ 94,573,595
Depreciation expense	3,089,883	3,768,753	2,569,633	–	9,428,269
Balance at March 31, 2015	31,109,207	34,593,262	38,299,395	–	104,001,864
Depreciation expense	7,369,229	415,290	2,774,476	–	10,558,995
Balance at March 31, 2016	$ 38,478,436	$ 35,008,552	$ 41,073,871	$ –	$ 114,560,859
Net Book Value					
Balance at March 31, 2015	$ 12,709,884	$ 83,632,687	$ 7,107,369	$ 4,161,759	$ 107,611,699
Balance at March 31, 2016	**$ 6,784,616**	**$ 93,847,097**	**$ 7,040,139**	**$ 786,365**	**$ 108,458,217**

8. PROPERTY AND EQUIPMENT (CONTINUED)

Construction in progress represents costs incurred for capital projects under construction at existing casinos and central office. Upon completion, these costs are transferred into the appropriate capital asset category.

Included in casino development above are the following assets under finance lease:

Net carrying amount of leased assets	March 31, 2016	March 31, 2015
Base Building Costs		
– Gold Eagle Casino	**$ 18,214,371**	$ 15,286,273
– Painted Hand Casino	**7,397,260**	8,054,795
– Living Sky Casino	**9,705,660**	10,566,647
– Dakota Dunes Casino	**11,685,295**	12,731,556
	$ 47,002,586	$ 46,639,271

9. DUE TO SASKATCHEWAN LIQUOR AND GAMING AUTHORITY

	March 31, 2016	March 31, 2015
Balance, beginning of year	**$ 61,418,839**	$ 66,230,413
Income due to Saskatchewan Liquor and Gaming Authority	**86,332,810**	84,103,091
Payments to Saskatchewan Liquor and Gaming Authority	**(90,179,946)**	(88,914,665)
Balance, end of the year	**$ 57,571,703**	$ 61,418,839

As described in Note 1, SIGA is required to remit to Saskatchewan Liquor and Gaming Authority ("SLGA") the net income from the operation of the slot machines in accordance with a formula as defined in the Agreement. According to the Agreement, unrealized gains and losses on interest rate swaps are excluded from the calculation of net casino profits payable to SLGA.

Included in the above balance of the due to SLGA is the $5,000,000 that has been retained as a capital reserve as disclosed in Note 1.

10. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

SIGA is required to pay SLGA an amount equivalent to the imputed Goods and Services Tax ("GST") that is payable by SLGA on gaming expenses incurred by SIGA related to its slot machine operations. Included in accounts payable and accrued liabilities are amounts owing to SLGA for GST of $324,805 (2015 – $329,528). Also, $2,870,680 (2015 – $2,612,874) is due to SLGA for slot machine and operating system reimbursement and is included in accounts payable and accrued liabilities.

11. LONG-TERM DEBT

Casino Projects Financing

In 2007, SIGA entered into a long-term financing agreement with a financial institution ("Bank") for $79 million to finance all of its casino projects. The Bank syndicated this financing with a secondary lender to provide SIGA with $20 million. The Bank, as the lead lender, provided SIGA with the remaining $59 million.

SIGA has drawn on the remaining approved financing to complete the construction of its casinos.

11. LONG-TERM DEBT (CONTINUED)

The long-term financing agreement is secured by a general security agreement and mortgage of leasehold interests of SIGA's casinos.

The long-term debt obligations are as follows:

	March 31, 2016	March 31, 2015
Term Loan Tranche D – Part A repayable in monthly instalments of $116,667 plus interest at banks acceptance rate plus 1%, maturity April 2018.	**$ 9,916,667**	$ 11,316,667
Term Loan Tranche D – Part B repayable in monthly instalments of $127,000 including interest at bankers acceptance rate plus1.5%, maturity April 2018	**10,785,000**	12,308,000
Term Loan Tranche E repayable in monthly instalments of $117,762 plus interest at bankers acceptance rate plus 1.5%, maturity September 2018.	**12,011,816**	13,424,960
Term Loan Tranche F repayable in monthly instalments of $88,889 plus interest at bankers acceptance rate plus 1.5%, maturity September 2018.	**9,066,658**	10,133,326
Term Loan Tranche F – Fixed Rate repayable in monthly instalments of $4,460 plus interest at prime rate, paid November 2015.	**–**	314,794
	41,780,141	47,497,747
Less Current Portion	**(5,402,812)**	(5,456,329)
	$ 36,377,329	$ 42,041,418

Principal repayments required for the above loans, assuming renewal under similar terms, are as follows:

2017	$ 5,401,812
2018	5,402,812
2019	5,401,812
2020	5,402,812
2021	5,402,812
Thereafter	14,771,081
	$ 41,780,141

In order to manage its interest rate risk exposure, SIGA entered into separate interest rate swap arrangements for the Dakota Dunes, Living Sky and Painted Hand construction projects on December 12, 2007. These arrangements fixed the interest rates for the loan for each construction project at 4.94%, 5.09% and 5.09% respectively over the term of the loans. These swap terms are April 2023, August 2024, and August 2024 respectively. The interest rate swap arrangements came into effect for the Dakota Dunes construction project on April 1, 2008 and came into effect for the Living Sky and Painted Hand construction projects on April 1, 2009. An additional swap was entered related to Dakota Dunes on April 4, 2013. This arrangement fixed the interest rate for the loan at 2.08% over the term of the loan. This swap term is April 2023. A liability of $5,443,107 has been recorded at March 31, 2016 (2015 – $6,231,550), representing the fair value of the instruments. Changes to the fair value are recorded as an unrealized gain or loss in the current period. The notional amount of the interest rate swaps at March 31, 2016, were $9,916,666 and $10,785,000 for Dakota Dunes, $12,011,816 for Living Sky, and $9,066,658 for Painted Hand.

SIGA has established an unsecured $2,000,000 line of credit with a financial institution. Interest is charged on the line of credit at the financial institution's prime rate plus 1%. At March 31, 2016, no amount is owing on the line of credit (2015 – $nil).

12. FINANCE LEASE OBLIGATION

On December 23, 2004, SIGA entered into an agreement with STC Casino Holdings Limited Partnership for the lease of Dakota Dunes Casino on Whitecap Dakota First Nation. Beginning in April 2007, SIGA leased the property from that Partnership for approximately 20 years at an annual cost of $2,248,477. In 2011, there was an addition to this capital lease, for16 years, at an annual cost of $380,969. In 2012, there was a further addition to this lease for approximately 15 years, at an annual cost of $60,571.

On October 26, 2005, SIGA entered into an agreement with PHC Holdings Limited Partnership for the lease of Painted Hand Casino in Yorkton. Beginning in February 2009, SIGA leased the property from that Partnership for 19 years at an annual cost of $1,646,400.

On January 26, 2006, SIGA entered into an agreement with FHQ Casino Holdings Limited Partnership for the lease of Living Sky Casino in Swift Current. Beginning in December 2008, SIGA leased the property from the Partnership for 19 years at an annual cost of $2,195,200.

On April 1, 2014 SIGA entered into an agreement with FNH Development Limited Partnership for the lease of Gold Eagle Casino in North Battleford. SIGA will lease the property from the Partnership for 13 years at an annual cost of $1,441,496.

On April 1, 2014 SIGA entered into an agreement with BATC Investments Limited Partnership for the lease of an expansion at Gold Eagle Casino in North Battleford. Beginning September 1, 2015, SIGA leased the property from the Partnership for 13 years at an annual cost of $404,280.

STC Casino Holdings Limited Partnership, PHC Holdings Limited Partnership, FHQ Casino Holdings Limited Partnership, FNH Development Limited Partnership, BATC Investments Limited Partnership are related to SIGA as they are owned by Class A membership holders of SIGA.

Interest rates underlying all obligations under finance leases are fixed at respective contract dates ranging from 3.0% to 12.5% (2015 – 3.0% to 12.5%) per annum.

The minimum lease payments under the finance lease obligation are as follows:

	March 31, 2016	March 31, 2015
Total future minimum lease payments	**$ 95,352,259**	$ 94,893,526
Less future finance charges on finance leases	**(36,907,354)**	(38,223,432)
Present value of finance lease obligation	**58,444,905**	56,670,094
Less current portion of finance lease obligation	**(3,076,821)**	(2,956,909)
Finance lease obligation	**$ 55,368,084**	$ 53,713,185

As at March 31, 2016, scheduled future minimum lease payments of the finance lease obligation are as follows:

	1 Year	1-5 Years	More Than 5 Years
Future minimum lease payments	$ 8,401,992	$ 33,831,207	$ 53,119,060
Present value of finance lease obligation	3,076,821	15,580,828	39,787,256

Due to the related party nature of the finance lease obligation, fair value information has not been disclosed as fair value cannot be reliably measured.

13. UNCOMMITTED NET PROCEEDS OF TABLE OPERATIONS

The Casino Operating Agreement provides for SIGA to use any net income from the operation of licensed table games for charitable or religious objects or purposes. Distributions of funds were made during the year as follows:

	March 31, 2016	March 31, 2015
Balance, beginning of year	$ –	$ –
Net loss from table operations (Note 22)	(2,217,637)	(2,205,785)
	(2,217,637)	(2,205,785)
Net loss from table operations allocated to slot operations	2,217,637	2,205,785
Amounts disbursed	–	–
Balance, end of year	$ –	$ –

14. REVENUE

	March 31, 2016	March 31, 2015
Gaming	$ 235,995,118	$ 234,515,769
Ancillary	22,383,721	21,948,396
	$ 258,378,839	$ 256,464,165

15. MATERIALS AND CONSUMABLES

	March 31, 2016	March 31, 2015
Food and beverage cost of goods sold	$ 7,101,731	$ 6,965,920
Imputed goods and services tax	3,382,598	3,563,053
Building repairs and maintenance	2,270,333	2,359,913
Staff benefits and recruitment	1,263,240	1,353,197
Insurance	1,169,174	1,201,912
Software licences and agreements	945,824	842,294
Consulting	758,143	746,512
Postage and stationery	698,261	642,064
Telephone	625,987	583,407
Accounting and internal audit services	617,888	752,534
Board remuneration and travel	495,868	484,041
Bank charges	385,047	369,056
Legal	346,136	409,395
Miscellaneous	341,170	368,852
Dues and subscriptions	84,785	146,857
	$ 20,486,185	$ 20,789,007

16. OTHER EXPENSES

	March 31, 2016	March 31, 2015
Other	**$ 1,819,812**	$ 1,978,450
Departmental supplies	**1,117,216**	1,050,811
Uniforms and laundering	**852,720**	721,441
Travel and sustenance	**752,927**	858,942
Staff training	**579,750**	746,863
Equipment lease	**546,541**	478,042
Equipment repairs	**343,026**	374,320
Printing	**306,247**	347,334
	$ 6,318,239	$ 6,556,203

17. FINANCE COSTS

	March 31, 2016	March 31, 2015
Interest on long-term debt	**$ 2,615,969**	$ 2,816,896
Interest on finance lease obligations	**5,436,968**	5,133,820
	$ 8,052,937	$ 7,950,716

The weighted average capitalization rate on funds borrowed generally is 8.70% per annum (2015 – 8.54% per annum).

18. EMPLOYEE BENEFITS

Effective April 1, 1997, SIGA established a pension plan for employees. The plan is a defined contribution plan administered by Great-West Life. Substantially all of SIGA's full-time employees participate in the plan. SIGA's financial obligation is limited to matching the required amounts contributed by employees, 6% of salary, which totaled $3,736,257 in fiscal 2016 (2015 – $3,662,413).

19. CAPITAL DISCLOSURES

SIGA's objectives when managing capital are to ensure adequate capital to support the operations and growth strategies of SIGA.

SIGA funds its capital requirements through the $5,000,000 capital reserve from SLGA, internal operating activities and debt. SIGA also has an available line of credit of $2,000,000 at a financial institution (Note 11).

SIGA limits the amount of risk in proportion to its capital. The initial financing option of the Dakota Dunes, Living Sky, and Painted Hand casino projects ("casino projects") was limited to variable rate loans. SIGA entered into four interest rate swap agreements to exchange the variable rate debt instruments to fixed rate loans to mitigate fluctuations in interest rates. SIGA also regularly evaluates if any factors have the potential to change the capital structure of the organization. Risk management reports are presented to the Audit and Finance Committee and Board of Directors on a quarterly basis.

19. CAPITAL DISCLOSURES (CONTINUED)

SIGA entered into a credit agreement with financial institutions in order to obtain financing for the casino projects. There are currently four financial covenants which are reported on a quarterly basis to the financial institutions. SIGA monitors its capital structure using these covenants. The financial covenants are as follows:

(a) The senior fund debt to earnings before interest, taxes, depreciation and amortization ("EBITDA") ratio shall be less than or equal to 2.0:1.0 for each fiscal quarter;

(b) The interest coverage ratio shall not be less than 5.0:1.0;

(c) The total debt service coverage ratio shall not be less than 2.0:1.0; and

(d) The earnings before interest, taxes, depreciation, amortization and rent ("EBITDAR") coverage ratio shall not be less than 2.0:1.0.

Ratios at year-end were 0.47, 11.88, 6.20 and 3.50 respectively. In all instances during the year ended March 31, 2016 (and March 31, 2015), SIGA was in compliance with the above covenants.

20. FINANCIAL RISK MANAGEMENT

SIGA, through its financial assets and liabilities, has exposure to a number of risks from its use of financial instruments. The following analysis provides a measurement of these risks as at March 31, 2016:

Risk Management

The Board has overall responsibility for the establishment and oversight of SIGA's risk management framework and is responsible for developing and monitoring SIGA's risk management policies.

SIGA's risk management policies are established to identify and analyze the risks faced by SIGA, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and SIGA's activities.

SIGA's Board oversees how management monitors compliance with SIGA's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by SIGA. The Board is assisted in its oversight role by Internal Audit. Internal Audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the Board.

Credit Risk

SIGA's principal financial assets are cash and cash equivalents, short-term investments, and accounts receivable, which are subject to credit risk. The carrying amounts of financial assets on the statement of financial position represent SIGA's maximum credit exposure at the statement of financial position date.

SIGA does not extend credit to its gaming customers. Credit risk is limited to its accounts receivable balance which consists primarily of credit extended to business entities for business functions held at the various casino locations. The credit risk on cash and cash equivalents and short-term investments is limited because the counterparties are chartered banks with high credit-ratings assigned by national credit-rating agencies. Credit risk is not considered significant.

20. FINANCIAL RISK MANAGEMENT (CONTINUED)

The following reflects an aging summary of SIGA's trade accounts receivable balances:

	March 31, 2016	March 31, 2015
Current	$ 1,786,737	$ 1,497,651
30-59 days	1,383	1,304
60-89 days	70,825	696
90 days and greater	16,823	–
	1,875,768	1,499,651
Allowance for doubtful accounts	–	–
	$ 1,875,768	$ 1,499,651

The allowance for doubtful accounts is reviewed quarterly based on an estimate of outstanding amounts that are considered uncollectible. Historically, SIGA has not written off a significant portion of its trade accounts receivable balances.

Interest Rate Risk

Interest rate risk is the risk of financial loss resulting from changes in market interest rates. In order to manage its interest rate risk exposure, SIGA entered into separate interest rate swap arrangements for the Dakota Dunes, Living Sky and Painted Hand construction projects as described in Note 11. These arrangements fixed the interest rates for the loan for each construction project at 4.94%, 5.09%, 5.09% and 2.08% respectively over the term of the loans.

At March 31, 2016, if interest rates at that date had been 100 basis points lower with all other variables held constant, total comprehensive income for the year before distribution to SLGA would have been $1,755,452 (2015 – $2,221,331) lower, arising mainly as a result of higher unrealized losses on interest rate swaps, partially offset by lower interest expense on variable borrowings. If interest rates had been 100 basis points higher, with all other variables held constant, total comprehensive income for the year before distribution to SLGA would have been $1,661,234 (2015 – $2,089,500) higher, arising mainly as a result of lower unrealized losses on interest rate swaps, partially offset by higher interest expense on variable borrowings.

Foreign Exchange Risk

SIGA faces exposure to the U.S./Canadian dollar exchange rate through the purchase of goods and services payable in U.S. dollars. The risk is not considered significant.

20. FINANCIAL RISK MANAGEMENT (CONTINUED)

Liquidity Risk

Liquidity risk is the risk that SIGA is unable to meet its financial commitments as they become due or can only do so at excessive cost. SIGA manages its cash resources based on financial forecasts and anticipated cash flows. The following summarizes the contractual maturities of SIGA's financial liabilities based on undiscounted payments:

March 31, 2016	Contractual cash flows					
Financial Liabilities	Carrying Amount	0-12 months	1-2 years	3-5 years	More than 5 years	Total
Due to SLGA	$ 57,571,703	$ 57,571,703	$ –	$ –	$ –	$ 57,571,703
Accounts payable and accrued liabilities	19,481,422	19,481,422	–	–	–	19,481,422
Long-term debt	41,780,141	7,577,365	7,353,794	19,848,348	16,686,750	51,566,257
Finance lease obligation	58,444,905	8,401,992	8,423,984	25,407,223	53,119,060	95,352,259
Interest rate swap liability	5,443,107	–	–	–	5,443,107	5,443,107
	$ 182,721,278	$ 93,132,482	$ 15,777,778	$ 45,255,571	$ 75,248,917	$ 229,414,748

The interest included in the payments of long-term debt were estimated using the interest rates prevailing at the end of the reporting period, assuming that such rates remain unchanged during the term of the long-term debt arrangements.

March 31, 2015	Contractual cash flows					
Financial Liabilities	Carrying Amount	0-12 months	1-2 years	3-5 years	More than 5 years	Total
Due to SLGA	$ 61,418,839	$ 61,418,839	$ –	$ –	$ –	$ 61,418,839
Accounts payable and accrued liabilities	18,712,551	18,712,551	–	–	–	18,712,551
Long-term debt	47,497,747	7,963,495	7,662,102	21,152,020	22,517,747	59,295,364
Finance lease obligation	56,670,094	7,910,747	7,890,662	23,554,385	55,537,732	94,893,526
Interest rate swap liability	6,231,550	–	–	–	6,231,550	6,231,550
	$ 190,530,781	$ 96,005,632	$ 15,552,764	$ 44,706,405	$ 84,287,029	$ 240,551,830

Management believes its ability to generate funds will be adequate to support these financial liabilities.

20. FINANCIAL RISK MANAGEMENT (CONTINUED)

Classification and Fair Value of Financial Instruments

	Classification	Fair Value Level	March 31, 2016	March 31, 2015
Cash and cash equivalents	L & R	N/A	**$ 22,113,742**	$ 24,877,957
Short-term investments	L & R	N/A	**41,080,000**	46,282,500
Accounts receivable	L & R	N/A	**2,454,511**	2,140,125
Due to SLGA	OL	N/A	**57,571,703**	61,418,839
Accounts payable and accrued liabilities	OL	N/A	**19,481,422**	18,712,551
Long-term debt	OL	N/A	**41,780,141**	47,497,747
Interest rate swap liability	FVTPL	2	**5,443,107**	6,231,550

FVTPL – Fair value through profit and loss, L&R – Loans and receivables, OL – Other liabilities.

Derivatives are carried at their fair value. Derivative instrument fair value is calculated using pricing models that incorporate current market prices and the contractual prices of the underlying instruments, the time value of money and yield curves.

The fair value of long-term debt approximates carrying value due to its floating interest rates.

The fair value of the remaining financial instruments classified as loans and receivables or other liabilities approximates carrying value due to their current nature.

21. RELATED PARTY TRANSACTIONS

Significant related parties to SIGA include the FSIN, holder of a Class A membership in SIGA, and entities related to the FSIN (including Saskatchewan Indian Institute of Technologies, First Nations University of Canada, Indigenous Gaming Regulators Inc., Saskatchewan Indian Cultural Centre and Saskatchewan Indian Equity Foundation). Related parties also include the Tribal Councils of Saskatchewan (and their related entities) that hold Class A memberships in SIGA. All transactions with related parties were made in the normal course of business and have been recorded at exchange amounts agreed upon between the parties.

The following are balances outstanding with related parties:

Amounts owed by related parties	March 31, 2016	March 31, 2015
	$ 101,696	$ 22,561

Amounts owed to related parties	March 31, 2016	March 31, 2015
	$ 7,368	$ 100

Significant transactions with related parties throughout the year are as follows:

Purchases of goods and services	March 31, 2016	March 31, 2015
Building rent and occupancy	**$ 6,794,068**	$ 6,798,314
Finance lease payments (principal and interest)	**8,638,171**	9,022,371
Indigenous Gaming Regulators Inc.	**3,330,900**	3,330,900
Other	**1,326,851**	1,576,278
Sponsorship	**330,692**	441,748

21. RELATED PARTY TRANSACTIONS

Key Management Personnel Compensation

Key management personnel are those persons that have the authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly. Key management personnel of the Company include the President/CEO, vice-presidents and members of the board of directors. Key management personnel compensation is comprised of:

	March 31, 2016	March 31, 2015
Employee compensation and benefits	**$ 1,710,990**	$ 1,656,661
Post-employment benefits	**167,447**	166,591
	$ 1,878,437	$ 1,823,252

Other transactions with related parties and amounts due to/from them are described separately in these financial statements and the notes thereto.

22. SEGMENTED INFORMATION

SIGA operates in three segments – table operations, slot operations and ancillary operations. The following table shows key amounts by segment.

	Slot Operations	Table Operations	Ancillary Operations	Elimination of Intercompany Transactions	Total 2016	Total 2015
Revenues	**$ 228,666,974**	**$ 11,156,888**	**$ 22,383,721**	**$ (3,828,744)**	**$ 258,378,839**	$ 256,464,165
Expenses	**131,129,497**	**13,374,525**	**31,370,751**	**(3,828,744)**	**172,046,029**	172,361,074
Profit (loss) before the following:	**$ 97,537,477**	**$ (2,217,637)**	**$ (8,987,030)**	**$ –**	**$ 86,332,810**	$ 84,103,091
Unrealized gain (loss) on interest rate swaps (Note 11)					**$ 788,443**	$ (1,027,796)
Total net income and comprehensive income for the year before distribution to Saskatchewan Liquor and Gaming Authority (Notes 1 & 9)					**$ 87,121,253**	$ 83,075,295

The accounting policies of the reportable segments are the same as SIGA's accounting policies described in Note 3. Segment profit represents the profit earned by each segment without allocation of unrealized gain (loss) on interest rate swaps and distribution to Saskatchewan Liquor and Gaming Authority. This is the measure reported to the chief operating decision maker for the purposes of resource allocation and assessment of segment performance.

23. COMMITMENTS AND CONTINGENCIES

Operating Leases

SIGA has obligations under operating leases for buildings, equipment and vehicles. The minimum lease payments required under these operating leases are as follows:

	March 31, 2016	March 31, 2015
Less than one year	$ 4,601,838	$ 4,596,051
Between one and five years	5,534,198	8,230,586
More than five years	3,698,831	4,461,734
	$ 13,834,867	$ 17,288,371

The above commitments include amounts committed to related parties of $6,841,812 for years 2016/17 through 2020/21 and $3,697,357 for the years beyond 2020/21.

During the year ended March 31, 2016, an amount of $5,106,364 (2015 – $6,418,036) was recognized as an expense in comprehensive income in respect of operating leases.

Capital Commitment – Slot Machines

The Casino Operating Agreement requires SLGA to supply slot machines and the slot management system to SIGA for use in its casinos and for SIGA to reimburse to SLGA the cost of these machines over the estimated useful life of the equipment. Included in expenses is $11,280,779 (2015 – $9,518,564) for reimbursement of the purchase of slot machines and the slot machine management system. SIGA estimates total costs over the next five years, based on the machines currently in use, as follows:

2017	$ 7,917,521
2018	7,241,171
2019	6,738,539
2020	5,809,371
2021	1,405,510

Letters of Credit

SIGA has three letters of credit with First Nations Bank of Canada, $50,000 payable to the City of Swift Current, $200,000 payable to the City of Yorkton and $30,000 payable to Saskatchewan Sport Distributors Inc.

Other

The Casino Operating Agreement requires SIGA, upon receiving direction from SLGA, to pay to Indigenous Gaming Regulators Inc. ("IGR") the amount of IGR's annual operating budget. SLGA has directed SIGA to pay IGR $3,300,000 for 2016-2017 (2015-2016 – $3,300,000).

SIGA entered into an agreement with Saskatoon Prairieland Park Corporation ("SPPC") regarding the maintenance of a certain level of income when SPPC closed its casino. Under this agreement, SIGA agreed to pay SPPC $216,667 monthly, subject to certain conditions, effective August 10, 2007 and continuing for 30 years.

Contingencies

SIGA enters into contractual arrangements with suppliers of services, products and facilities in the normal course of business. Contracts are subject to legal interpretation from time to time and disputes do arise. Management plans to account for such dispute resolutions in the year such disputes are settled, as they cannot be reasonably estimated prior to this time.

In addition, various other claims and lawsuits are pending against SIGA in the ordinary course of business. While it is not possible to determine the ultimate outcome of such actions at this time, and there exist inherent uncertainties in predicting such outcomes, it is SIGA's belief that the ultimate resolution of such actions is not reasonably likely to have a material adverse effect on its financial position or results of operations.

EXECUTIVE STRUCTURE

FEDERATION OF SASKATCHEWAN INDIAN NATIONS & CHIEFS IN ASSEMBLY

SIGA BOARD

GOVERNANCE — **STRATEGIC AFFAIRS** — **AUDIT & FINANCE**

Corporate Solicitor
Bonnie Missens

President/CEO
Zane Hansen

VP Corporate Affairs
Patricia Cook

Senior VP Finance & Administration
Tim Prosser

VP Human Resources
Shauna Bear

VP I.T. & Business Development
Vern Acoose

Senior VP Operations
Lionel Tootoosis

VP Marketing
Vance McNab

GM – Bear Claw
Edward Littlechief

GM – Dakota Dunes
Gary Daniels

GM – Gold Eagle
Kelly Atcheynum

GM – Living Sky
Trevor Marion

GM – Northern Lights
Richard Ahenakew

GM – Painted Hand
Charles Ryder

BOARD OF DIRECTORS

Board Chair – Chief Reginald Bellerose joined the Saskatchewan Indian Gaming Authority Board of Directors in 2008. He is in his sixth term as Chief of Muskowekwan First Nation. Chief Bellerose has a bachelor of arts degree from Concordia University College in Edmonton and has completed a master's degree in project management at the University of Saskatchewan.

Chief Darcy Bear is in his seventh consecutive term as Chief of the Whitecap Dakota First Nation. He holds a business administration certificate and an Honorary Doctorate of Law from the U of S. Chief Bear has also been the recipient of many awards including the Commemorative Medal for the Centennial of Saskatchewan in 2005, the Saskatchewan Order of Merit in 2011, and the Diamond Jubilee Medal in 2012. Recently, he was awarded the 2016 Canadian Council for Aboriginal Business Hall of Lifetime Achievement Award for his oversight of the transformation of the community, increasing opportunity and prosperity against formidable odds. He has dedicated half of his life to the betterment of his community and has been the driving force behind extensive economic development and an improved quality of life within the community. To date there has been approximately $100 million in capital investment in the community and a reduced unemployment rate from 70% to 5%.

Chief Richard Ben joined the SIGA Board in October 2009. Prior to being elected as Chief of Makwa Sahgaiehcan First Nation, he had served one term as a band councillor. Chief Ben's experience includes terms with the FSIN Education and Justice Commissions, and a number of boards with the Meadow Lake Tribal Council. Chief Ben's background also includes three years in the army reserve, four years as a recreation director on his home reserve, as well as an education in police sciences and information technology.

Chief Connie Big Eagle is the Chief of Ocean Man First Nation. She has served her Nation in Leadership for 13 years as Chief and on council. Chief Big Eagle chairs the Yorkton Tribal Council Treasury Board, vice chairs the Treaty 4 Education Alliance and represents Saskatchewan on the Assembly of First Nations Women's Council. Chief Big Eagle joined the SIGA Board in August 2015.

Carole Bryant rejoined the SIGA Board in January 2010. Carole is currently VP of Administration with the Ranch Ehrlo Society. She has had a diverse career experience in social work, community development, HR, corporate services, board governance and communication. Bryant is the past-president of the Saskatchewan Association of Social Workers (SASW) and is a former past-president of the Regina Rotary Club. She was one of the founding board members of SaskPower Commercial Inc. and has board experience with the Luther College Board of Directors, Investment Saskatchewan and is a former president of the Regina and District Food Bank. Bryant has a master's degree in social work. She completed her MBA from Queen's University in Kingston and has her CPA designation.

Bob Gerow was appointed to the SIGA Board of Directors by the Agency Chiefs Tribal Council (ACTC) in 2008. Bob, a member of the Victoire Métis Local, has worked in First Nations education and administration for the past 37 years. He is the VP of Askiy Forest Management and he is currently the executive director with the Agency Chiefs Tribal Council. Gerow holds a BA, BEd, PGD and a master of education.

Chief Edward Henderson of the Montreal Lake Cree Nation joined the Board in December 2005. He is past chair of Little Red Reserve School Authority and Woodland Cree Board. He currently serves on the boards of PAGC Education, Forestry, Women's Commission, Sports Culture and Recreation, Saskatchewan Indian Equity Foundation, First Nations University of Canada and the Saskatchewan Indian Education & Training Commission.

Dr. Ron Martin of the Fond-du-Lac First Nation was appointed to the SIGA Board on October 2012. Dr. Martin completed his Native Law Program, a bachelor of arts advanced degree in sociology, bachelor of science advanced degree in anatomy, certified director training and a doctor of medical dentistry degree. Dr. Martin owns and operates a busy and expanding dental practice (Dene Dent Family Dentistry) on Treaty 4 territory near Fort Qu'Appelle.

Chief Kenny Moccasin joined the SIGA Board in December 2015. Chief Moccasin was elected in 2011 and more recently in 2015 to the position of Chief of the Saulteaux First Nation. Prior to being elected as a band councillor, Chief Moccasin completed his Computer Information Technology diploma and worked in the education system for eight years as a computer technician/networking/teacher at the Saulteaux Heritage School and the NNEC School Division. He currently represents Battleford Agency Tribal Chiefs (BATC) on the SIGA Board and was recently appointed as Tribal Chief in October 2015.

Chief Marie Anne Daywalker-Pelletier was appointed from the File Hills Qu'Appelle Tribal Council in early January 2013 to the SIGA Board. Currently she is the Chief of Okanese First Nation, and has filled the position since March, 1981 – serving a total of 35 consecutive years to date. Chief Daywalker-Pelletier has sat on many boards and obtained professional director designation in 2015. Currently she is the chair of the Saskatchewan Indian Women's Commission, chair of the TFHQ Safe Shelters and a commission member of the Health and Social Development Commission.

Kevin Poock from the Battleford Tribal Council Management Corp. was appointed to the Board in February 2012 by the Battlefords Tribal Council. Poock is a chartered financial planner who has 25 years' experience in the financial services industry. He was instrumental in the financing and opening of the first four casinos operated by SIGA. In 1998 he joined Battlefords Tribal Council to assist their Economic Development Division. He currently is part of a group that manages several diversified businesses, holding companies, and analyzes new opportunities for First Nations.

Chief Brian Standingready of White Bear First Nation was first appointed to the Board in 2003, holding the position of chair until January 2007. In 2008, Chief Standingready rejoined the Board. He has held a variety of positions including Chief, council member, and band manager at the White Bear First Nation. He has also served as the district representative for the Yorkton Tribal Council and has sat on numerous boards, committees and commissions. Chief Standingready was re-elected in 2011.

Chief Delbert Wapass is a fluent speaker of the Cree language. He is from Thunderchild First Nation. Chief Wapass holds a bachelor's degree in native studies from the University of Regina, and a master's of education from the University of Saskatchewan. Chief Wapass has previously served with the Federation of Saskatchewan Indian Nations as both the second and third vice chief, with portfolio experience in economic development, education and health. A very traditional and cultural person, Chief Wapass was raised by his grandparents on the Thunderchild First Nation.

Ted Quewezance – Senator FSIN is from the Keeseekoose First Nation. Elected to council in 1977, he served eight years. Quewezance also served as communications officer with the Saskatchewan Indian Federated College was later the chief of staff for the FSIN for eight years. He was elected in 1995 as Chief of his community and served three consecutive terms. He also served as an advisor to the Assembly of First Nations for the residential school file. Quewezance continues to travel across Canada at speaking engagements as a survivor of residential schools.

Elder Edward Baldhead

Ruby Williams – Board Secretary

CORPORATE GOVERNANCE

AUTHORITY

Under the *First Nations Gaming Act*, the Federation of Saskatchewan Indian Nations (FSIN) created the Saskatchewan Indian Gaming Authority (SIGA) on June 10, 1995. The FSIN entered into the Gaming Framework Agreement (GFA) with the Province of Saskatchewan, which established exclusive access to casino markets in Saskatchewan. SIGA was designated as the proponent for casino development and was then incorporated under *The Non-Profit Corporations Act, 1995* of Saskatchewan on January 11, 1996.

The Province of Saskatchewan, through the Saskatchewan Liquor and Gaming Authority (SLGA) and the Indigenous Gaming Regulators (IGR), regulates SIGA. Accountable to the mandate set out by its shareholders, SIGA operates under the terms set out in the Casino Operating Agreement (COA) and gaming regulatory conditions established by IGR and SLGA.

SASKATCHEWAN LIQUOR AND GAMING AUTHORITY

The Province of Saskatchewan, through the Saskatchewan Liquor and Gaming Authority (SLGA), regulates SIGA. This authority is responsible for the approval of budgets, operating policies, procedures and expansion of services. Constant dialogue takes place between the management and employees of both organizations.

OUR STRUCTURE

SIGA's gaming operations are a revenue source for the Saskatchewan's First Nations, the Provincial Treasury and for the Community Development Corporations (CDCs). The CDCs distribute this money to charitable and not-for-profit community organizations. Profits generated from SIGA's operations are administered by the Province of Saskatchewan using the following breakdown: 50% to Saskatchewan First Nations, as distributed through the First Nations Trust; 25% to the CDCs; and 25% to the Provincial Government's General Revenue Fund.

ROLE OF THE BOARD

On behalf of the shareholders, the Board of Directors is responsible for the stewardship of the organization and is ultimately accountable for the management of the affairs and business of SIGA. In meeting this responsibility, the Board works with management to develop and approve the organization's strategic plan and annual budgets, and ensures that a communication policy is in place. The Board has established a terms of reference addressing its principal duties and responsibilities as a Board.

While focusing on the strategic direction of the organization, the Board delegates day-to-day operations to the President and CEO. The Board has resolved to adopt a policy governance model that empowers the President and CEO and holds them accountable for achieving the Board's directives, managing risks, complying with the Casino Operating Agreement and Board policies. In addition, the organization has a comprehensive Delegation of Authority Policy that governs the approvals and spending authorities for all managers consistent with their responsibilities, accountabilities and budgetary allocations. The policy specifies those matters that require Board approval: items specific to capital expenses (including renovation projects) planned over $1,000,000 and unplanned over $500,000, any property management, land and building leases, and all other operating expenses and contracts over $500,000.

All of its directors are independent of management and no member of management serves as a director. The Board held seven meetings in the 2015-2016 fiscal year.

BOARD CHAIR – CHIEF REGINALD BELLEROSE

The Chair provides leadership by guiding the Board, coordinating its activities, and fostering relationships in the best interests of the organization. While working closely with the President and CEO, he retains an independent perspective to best represent the interests of SIGA, the Board, and the communities they serve. On behalf of the Board, he reports to the FSIN Gaming Commission and the FSIN Legislative Assembly on the affairs of the corporation, including all business aspects of casinos owned and operated by SIGA. The Chair reports to the Board of Directors any recommendations offered by the Gaming Commission and the Assembly. The Board has delegated authority and assigned responsibility to the Board Chair for managing SIGA's relationship with the shareholders as per policy B03-012 Board Chair – Terms of Reference.

DIRECTORS

The Board of Directors was comprised of 13 Members for the 2015-2016 year. The Federation of Saskatchewan Indian Nations and the Tribal Councils nominate these Members (one per Tribal Council). There is one independent director appointed by the SIGA Board with financial expertise. Only individuals registered under *The Alcohol and Gaming Regulation Act, 1997* may be Directors of the Board.

As per the Casino Operating Agreement, the Board structure is comprised of no more than 13 Directors.

The 2015-2016 Directors are as follows:

- Chief Reginald Bellerose
- Chief Edward Henderson
- Chief Darcy Bear
- Chief Brian Standingready
- Bob Gerow
- Chief Richard Ben
- Carole Bryant
- Chief Delbert Wapass
- Kevin Poock
- Dr. Ron Martin
- Chief Marie Anne Daywalker-Pelletier
- Chief Connie Big Eagle replaced Amanda Louison
- Chief Kenny Moccasin replaced Chief Larry Ahenakew

The Board also has an advisor:

- Senate Advisor, Ted Quewezance replaced Roland Crowe

COMMITTEE STRUCTURE

The Board may appoint any committees that it considers necessary for the efficient conduct of the affairs and business of SIGA and may prescribe the duties of any committee it appoints. It is important to note that assignment of responsibility by the Board to a committee does not absolve the full Board from responsibility for a committee's work or decisions. The Chair is ex-officio on all committees and may attend any meeting as deemed appropriate. All committees have established terms of reference governing their conduct and mandate.

The Board has three (3) committees with established terms of reference governing their code and mandate. These three committees are as follows: Audit and Finance, Governance (includes, human resource, compensation & ethics and governance mandates) and Strategic Affairs.

AUDIT AND FINANCE COMMITTEE – CAROLE BRYANT, CHAIR

The Audit and Finance Committee monitors the financial performance and internal controls of SIGA, assesses risk management strategies and acts as a liaison between the internal and external auditors and the Board. This committee is responsible for the internal audit function and has retained an independent internal auditor that is accountable to the Board through the Audit and Finance Committee, and has unimpeded access to corporate information and reports. SIGA's internal auditor is Price Waterhouse Coopers (PWC). The fee for the internal audit function for the fiscal year is $340,000. The committee monitors internal controls over the financial reporting process, auditing matters and financial reporting issues. The SIGA audit is completed by the audit firm Deloitte LLP. In addition to the statutory audit requirements, Deloitte LLP submits management letters that contain internal control recommendations and identification of management and system control risks. Deloitte LLP has examined the corporation's financial statements and issued an auditor's report included in this annual report. The fee for the audit for the fiscal year is $229,000. Deloitte LLP did not provide any non-audit services this past fiscal year. The committee met five times in the 2015-2016 fiscal year.

STRATEGIC AFFAIRS COMMITTEE – BRIAN STANDINGREADY, CHAIR

The Strategic Affairs Committee is mandated to ensure that there are sufficient processes in place to develop, maintain and monitor the strategic plan, provide direction on shareholder and stakeholder relations and review and provide direction on new business opportunities. The Strategic Affairs Committee is also responsible for reviewing, assessing and monitoring strategic level risk in SIGA's risk management plan and ensuring the appropriate risk mitigation strategies are in place. Further, the committee will review and provide recommendations on the Casino Operating Agreement and the Framework Agreement. The committee met five times in 2015-2016 fiscal year.

GOVERNANCE COMMITTEE – REGINALD BELLEROSE, AND RON MARTIN SERVED AS CHAIRS

The Governance Committee is responsible for overseeing the Authority's governance processes and the quality of its corporate governance, reporting to the Board concerning the same. The committee assists the Board in delivering exemplary governance and human resource practices ensuring that SIGA's overall compensation structure provides appropriate incentives to employees at all levels. The committee ensures that SIGA is observing the highest standards of ethical business conduct. The Governance Committee monitors the functioning of the Board and committees of the Board, and recommends governance issues to be discussed by the Board and committees of the Board. It is also responsible for ensuring timely and complete information and decision-making at the Board and committee levels. The Governance Committee is responsible to ensure annual review of the terms of reference of the Board and its committees. The committee coordinates the biannual evaluations of the Board, the Board Chair and its committees.

The evaluation of the Board/Committees was completed in 2015. The Governance Committee also oversees the annual evaluation of the CEO which will be completed in July 2016. The Board engaged with Dr. Bob Kayseas, an independent third party consultant, to conduct the evaluation of the President and CEO. This committee met four times in the 2015-2016 fiscal year.

GOVERNANCE PRACTICES

The SIGA Board has formally adopted a governance model with generally accepted governance practices and a suite of corporate governance policies. These policies ensure continuity of good governance practices and provide ongoing direction for the Board, its committees and management. To ensure that SIGA continues to exemplify high standards of corporate governance, it has been mandated by the Board that the corporation's governance practices be monitored annually and an audit of all governance practices be conducted every three years with the most recent audit completed July 2015-2016 by the audit firm Price Waterhouse Coopers.

SIGA's current governance and disclosure practices are consistent with the guidelines advocated in the Ontario Securities Commission National Policy 58-201. SIGA's current disclosure practices are consistent with the guidelines set out in the Ontario Securities Commission National Policy 58-101.

The Board substantially complies with its corporate governance policies. Unlike a publicly held entity, SIGA is not required to comply with these policies. The corporation, however, has adopted an approach of benchmarking itself to these standards.

SIGA's alignment with the CSA Corporate Governance Guidelines is set out in the following scorecard:

	SIGA's Governance Practices	Does SIGA Align?
COMPOSITION OF THE BOARD		
NP 58-201, Section 3.1 The Board should have the majority of independent directors.	The directors on the SIGA Board are (13 out of 13) independent. SIGA's Board composition is 13 Members with 13 of those directors being confirmed as of March 31, 2016.	Yes
NP 58-201, Sections 1(a) and (d) 1 (a) Disclose the identity of directors who are independent; (b) Disclose the identity of directors who are not independent and the basis for that determination; (c) Disclose whether the majority of directors are independent; and (d) Disclose whether a director is a director of any other issuer that is a reporting issuer.	**Reginald Bellerose, Chair: Independent** – Chief, Muskowekwan First Nation, Touchwood Agency Tribal Council. **Edward Henderson, Director: Independent** – Chief, Montreal Lake Cree Nation, Prince Albert Grand Council. **Brian Standingready, Director: Independent** – Chief, White Bear First Nation, Southeast Treaty 4 Tribal Council. **Bob Gerow, Director: Independent** – Executive Director, Agency Chiefs Tribal Council. **Richard Ben, Director: Independent** – Chief, Makwa Sahgaiehcan First Nation, Meadow Lake Tribal Council. **Carole Bryant, Director: Independent** – Chief Financial Officer, Ranch Ehrlo Society. **Delbert Wapass, Director: Independent** – Chief, Thunderchild First Nation, Independent First Nations. **Kevin Poock, Director: Independent** – Chartered Financial Planner, Battlefords Tribal Council. **Ron Martin, Director: Independent** – Dentist, Federation of Saskatchewan Indian Nations. **Marie Anne Daywalker-Pelletier, Director: Independent** – Chief, Okanese First Nation, File Hills Qu'Appelle Tribal Council. **Darcy Bear, Director: Independent** – Chief, Whitecap Dakota First Nation, Saskatoon Tribal Council. **Connie Big Eagle, Director: Independent** – Chief, Ocean Man First Nation – Yorkton Tribal Council. **Kenny Moccasin, Director: Independent** – Chief, Moosomin First Nation, Battlefords Agency Tribal Chiefs. This criterion is met by all current Board Members being external directors (i.e. not managers or employees of SIGA) and by having each Board member complete and sign code of conduct acknowledgement and conflict of interest disclosure forms. All directors have completed COI forms on file. Section 1(d) does not apply to SIGA, as SIGA does not have share capital, and is not an issuer.	Yes
NP 58-201, Section 3.2 3.2 The Chair of the board should be an independent director who is the effective leader of the board, who ensures that the board's agenda will enable it to successfully carry out its duties.	The Chair of the Board is an independent director who provides leadership in board organization, processes, effectiveness and renewal and serves as a liaison between the roles of the Board, shareholders and that of President and CEO.	Yes
NI 58-101F1, Section 1(f) 1 (f) Disclose whether the Chair of the board is an independent director; disclose the identity of the Chair and describe the role of the Chair.	Reginald Bellerose who is an independent director assumed the responsibilities of Chair in February 2015. The Chair reports to the Board and ultimately to the shareholders and is responsible for presiding over meetings of the Board and ensuring the Board discharges its fiduciary and legal responsibilities. The Board has developed a terms of reference for the Chair in policy B03-012 which can be obtained from SIGA upon request.	Yes

	SIGA's Governance Practices	Does SIGA Align?
MEETINGS OF INDEPENDENT DIRECTORS		
NI 58-101FI, Section 3.3 3.3 The independent directors should hold regularly scheduled meetings at which non-independent directors and members of management are not present. 1 (e) Disclose whether the independent directors hold regularly scheduled meetings at which members of management are not present, disclose the number of such meetings held in the previous 12 months; if such meetings are not held, disclose what the board does to facilitate open and candid discussion among independent directors.	This criterion is met by all current Board members being external directors. The terms of reference for the Board/committee require that the Board/committees meet regularly without management present. In-camera sessions are a standing agenda item. There were 7 Board meetings held in 2015-2016 and during each regular meeting, in-camera sessions are a standing agenda item. Board practices that facilitate open and candid discussion allow for open and direct communication on issues that it may not be appropriate to discuss with representatives of management. The Board is satisfied that its governance practices foster full and open discussion and debate and that it retains the independence of mind to make decisions in the best interest of the corporation and the shareholder.	Yes, SIGA substantially meets this requirement.
NI 58-101FI, Section 1(g) 1 (g) Disclose the attendance record of each director for the board meetings held in the most recently completed financial year.	The Board held a minimum of 7 meetings in 2015-2016 which included their regular scheduled Board meetings and a strategic planning session and one special meeting.	Yes

	Meetings Attended*	Total Meetings
Edward Henderson, Director	5	(7)
Larry Ahenakew, Director	3	(3)
Reginald Bellerose, Director	7	(7)
Brian Standingready, Director	7	(7)
Bob Gerow, Director	4	(6)
Carole Bryant, Director	7	(7)
Richard Ben, Director	6	(7)
Delbert Wapass, Director	5	(7)
Kevin Poock, Director	7	(7)
Ron Martin, Director	7	(7)
Amanda Louison, Director	4	(4)
Marie Anne Daywalker-Pelletier, Director	7	(7)
Darcy Bear, Director	7	(7)
Connie Big Eagle, Director	2	(2)
Kenny Moccasin, Director	2	(2)

* For purposes of this report, members who attended meetings in part were considered to be present. Figures in brackets represent the maximum number for the period in which the individual was a Board member.

BOARD MANDATE		
NP 58-201, Section 3.4 3.4 The Board should adopt a written mandate which explicitly acknowledges responsibility for the stewardship of the corporation and responsibility for; (a) To the extent possible, satisfying itself as to the integrity of the CEO and executive and that they have created a culture of integrity throughout the organization; (b) Adopting a strategic planning process and approving at least annually a strategic plan which takes into account, among other things, the opportunities and risks of the business;	The Board has adopted a comprehensive written Board mandate, policy no. B03-001, that complies with the elements required in this policy. Specific policies B03-008 Board Member Responsibilities and B03-012 Board Chair-Terms of Reference outline the primary duties and responsibilities of the Board, including the responsibility to function as stewards of the corporation. (a) The corporation has a comprehensive Code of Conduct & Ethics policy in place for the Board and senior management. (b) SIGA has a strategic plan in place for the Authority. SIGA is using a highly regarded model of planning known as the balanced scorecard. This performance management tool helps us ensure that operational activities and initiatives are aligned with the objectives of the company in terms of vision and strategy. The Board approved the strategic measures and targets for the company in July 2015. The President reported on those measures on a quarterly basis. The results are also reported on in this annual report.	Yes

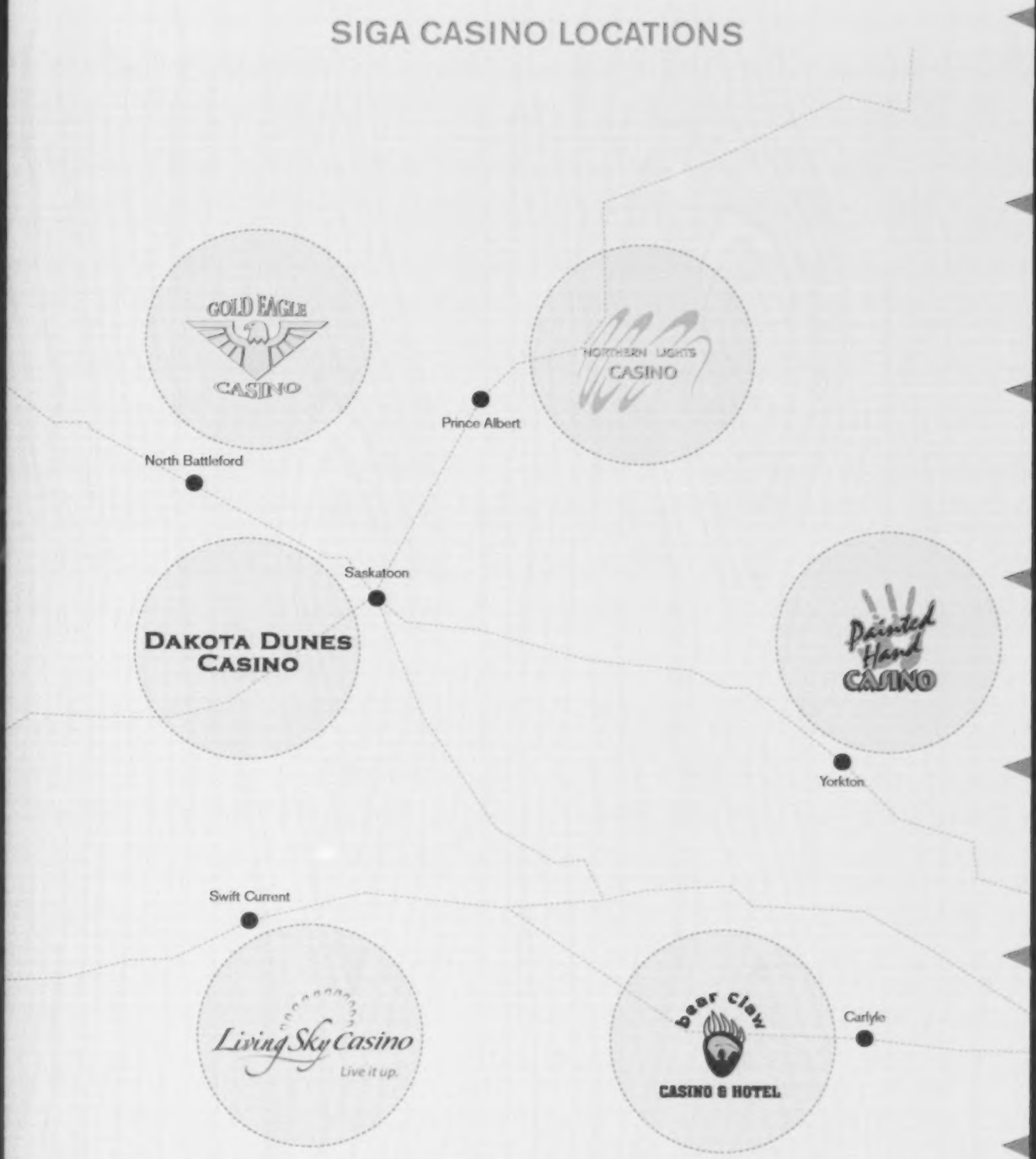
	SIGA's Governance Practices	Does SIGA Align?
NP 58-201, Section 3.4 continued (c) Identification of the principal risks of the corporation's business and ensuring the implementation of appropriate systems to manage these risks; (d) Succession planning, including appointing, training and monitoring senior management; (e) Adopting a communications policy for the corporation; (f) The integrity of the corporation's internal control and management information systems; and (g) Developing the corporation's approach to corporate governance, including a set of principles and guidelines specific to the corporation.	(c) The corporation has established an integrated risk management function and the corporate "infrastructure" for the identification and management of the risks that could prevent SIGA from achieving its strategic goals and priorities. The Board delegates this responsibility to the Audit and Finance Committee. (d) The Board approves succession plans for the President and CEO and senior executive on an annual basis. (e) The Board has a communications policy with processes in place to ensure effective communications with shareholders, stakeholders and the public. The annual general meeting of the members was held on September 22, 2015. (f) A principal duty of the Board is to identify principal risks of the business in which the Corporation is engaged, to achieve a proper balance between risks incurred and potential returns, and to oversee the implementation of appropriate systems to manage the risks. SIGA manages information risks through continual evaluation of the internal controls over financial reporting for new and existing systems. (g) SIGA Board has formally adopted a governance model with generally accepted governance practices, and a suite of corporate governance policies. The Governance Committee is mandated to oversee corporation's governance practices. An audit of the corporation's governance practices is completed every three years and was completed by Price Waterhouse Coopers in 2015.	Yes
NP 58-201, Section 2 2 Disclose the Board's written mandate.	The Board's written mandate, Policy B03-001 can be obtained from SIGA upon request.	Yes
POSITION DESCRIPTIONS		
NP 58-201, Section 3.5 3.5 The Board should: develop clear position descriptions for the Chair of the Board and the Chair of each committee; together with the CEO, develop a position description for the CEO delineating management's responsibilities; develop or approve corporate goals and objectives that the CEO is responsible to meet.	The Board has adopted specific policies which outline the primary duties and responsibilities of the Board Chair, committee chairs and Board members. The Board has adopted mandates for all standing committees, which outline their specific responsibilities. The Delegation of Authority Policy B05-018, applicable to monetary and non-monetary matters, sets out those matters that require Board approval and delegates other matters to management. The Board annually approves a strategic plan, which includes the Corporate objectives and goals (balanced scorecard targets) for the upcoming year. The CEO is ultimately responsible to the Board for meeting these goals and objectives. The Board assesses the CEO against these performance targets.	Yes
NI 58-101FI, Sections 3(a) and (b) 3 (a) Disclose whether the Board has developed written position descriptions for the Chair of the Board and the Chair of each Board committee and, if not, describe how the Board delineates the role and responsibilities of each such position. (b) Disclose whether the Board and CEO have developed a written position description for the CEO.	3 (a) The Board has policies in place that set out the roles and responsibilities for the Board Chair, vice chair and committee chairs. In addition to this the committees all have written mandates adopted by the Board that delineate the roles and responsibilities of that committee. (b) The Board has developed a comprehensive job description for the CEO.	Yes

	SIGA's Governance Practices	Does SIGA Align?
ORIENTATION AND CONTINUING EDUCATION		
NP 58-201, Sections 3.6 and 3.7 3.6 The Board should ensure new directors receive comprehensive orientation and fully understand the role of the Board and committees, the contribution individual directors are expected to make and the nature and operation of the business. 3.7 The Board should provide continuing education opportunities for all directors to enhance their skills and abilities and ensure their knowledge of the corporation's business is current.	3.6 The Governance Committee is responsible to ensure whether the proper orientation and continuing education training opportunities are made available to the Board. SIGA management has provided comprehensive orientation training for all the directors about the business and the industry. SIGA also provides all directors with a comprehensive binder that contains essential reference materials. 3.7 The corporation has made available to the directors the opportunity to participate in education programs such as: The Directors College – Chartered Directors Program and the Johnson Shoyama & Browne Governance Director Education & Certification Program. Both are comprehensive training programs focusing on best governance practices. All the directors have participated in an orientation program. On a regular basis, industry experts provide the Board with relevant information related to the gaming industry. A number of the directors have participated in other governance or industry related conferences in 2015-2016.	Yes
CODE OF BUSINESS CONDUCT AND ETHICS		
NP 58-201, Section 3.8 3.8 The Board should adopt a written code of business conduct and ethics applicable to directors, officers and employees of the corporation designed to promote integrity and deter wrongdoing. The code should address: (a) Conflicts of interest, including transactions and agreements where a director or officer has a material interest; (b) Protection and proper use of corporate assets and opportunities; (c) Confidentiality of corporate information; (d) Fair dealing with the corporation's security holders, customers, suppliers, competitors and employees; (e) Compliance with laws, rules and regulations; and (f) Reporting of illegal or unethical behaviour.	3.8 SIGA has developed a written Code of Conduct and Ethics Policy applicable to all directors, a separate Code of Conduct and Ethics Policy that is applicable to senior management and a Code of Conduct and Ethics Policy applicable to the employees. The Directors Policy: establishes guidelines for conduct required of all directors of the Saskatchewan Indian Gaming Authority. In addition, each director must complete a conflict of interest declaration form and a relationship declaration form. The declaration forms shall be completed on an annual basis, or more often in the event a potential conflict of interest situation arises. The completed forms are forwarded to and retained on file in the Board secretary's office. Copies are to be provided to the Governance Committee. Conflict of interest declarations are completed at every Board and committee meeting. The President and CEO and Senior Management Policies require that management observe the highest standards of ethical conduct, consistent with the values of integrity, impartiality and discretion, both within and outside the workplace, and to promote a corporate culture in which ethical conduct is recognized, valued and exemplified by everyone. The President and CEO and all senior managers sign a declaration form upon commencement of employment with SIGA, and sign a conflict of interest and a relationship declaration form. The declaration forms shall be completed on an annual basis, or more often in the event a potential conflict of interest situation arises. The completed forms are forwarded to and retained on file in the Corporate solicitor's office and are reviewed with the Governance Committee.	Yes
NI 58-101F1, Section 5(a) 5 (a) Disclose whether the Board has adopted a written code of ethical business conduct for the Directors, officers and employees of the corporation; how to obtain a copy of the code; how the Board monitors compliance with the code; and reference any material change report in the most recent financial year relating to any conduct of a Director or officer that constitutes a departure from the code.	5 (a) A copy of the directors, President and CEO Code of Conduct Policy can be obtained by contacting SIGA. The Board Chair and the Governance Committee monitor compliance with the code of conduct policy for the directors and the President and CEO. The President and CEO monitors compliance with the code of conduct policy for senior management. The Audit and Finance Committee is responsible for: monitoring and reviewing the financial performance and internal controls of the Authority; monitoring, reviewing and ensuring the adequacy of the Authority's risk management policies and procedures; enhancing the credibility and objectivity of the Authority's financial reports; and acting as a communication link between the Board of Directors, the external and provincial auditors and the internal auditor. The mandate of the Audit and Finance Committee shall be tabled at the annual general meeting for review by the members. The Governance Committee shall review the Authority's overall compensation programs and recommend compensation for the President and CEO and senior executive, and ensure that the overall compensation structure provides appropriate incentives to management and employees at all levels.	Yes

	SIGA's Governance Practices	Does SIGA Align?
NP 58-201, Section 3.9 3.9 The Board should monitor compliance with the code and any waivers granted for the benefit of directors and executive officers should be granted by the Board or committee. Any waivers for a material departure from the code for any directors or officers should disclose full details of the material change.	The Governance Committee is responsible to receive and consider directors and managers COI and relationship declaration forms.	Yes
NI 58-101FI, Sections 5(b) and (c) 5 (b) Describe steps the Board takes to ensure directors exercise independent judgment in considering transactions and agreements where a director or officer has a material interest. (c) Describe other steps the Board takes to encourage and promote a culture of ethical business conduct.	SIGA has a written code of conduct policy applicable to all directors. The corporation has a director's conflict of interest policy meant to protect the Authority's interest by outlining guidelines for the Authority's Board which ensures that a conflict of interest does not exist or appear to exist. The corporation has a disclosure of wrongdoing policy in place and, to further support that, the Board has implemented an employee hotline that is independently operated. The hotline provides a means for employees to report allegations of serious wrongdoing and identify situations where wrongdoing is or has occurred so it can be eliminated.	Yes
NOMINATION OF DIRECTORS		
NP 58-201, Section 3.10 3.10 The Board should appoint a nominating committee composed of entirely independent directors.	As identified in the bylaws of the corporation, the Board structure will be comprised of no more than 13 directors. The Federation of Saskatchewan Indian Nations and the Tribal Councils appoint 12 of these directors (one per Tribal Council) with the SIGA Board appointing one independent director with financial expertise. All appointments are ratified by the Federation of Saskatchewan Indian Nations Legislative Assembly. The SIGA Board has undertaken the responsibility of developing a skills profile for its Board members. It is distributed to all shareholders for their use as criteria to base their nomination/selection of directors.	N/A
COMPENSATION		
NP 58-201, Section 3.15 3.15 The Board should appoint a compensation committee composed entirely of independent directors.	The Board has appointed a Governance Committee of entirely independent directors who are responsible for compensation matters.	Yes
NP 58-201, Section 3.16 3.16 The compensation committee should have a written charter establishing the committee's purpose, responsibilities, member qualifications, member .appointment and removal, structure, operations (including any authority to delegate to individual directors or subcommittees) and manner of reporting to the Board. In addition, the compensation committee should be given authority to engage and compensate outside advisors necessary to permit it to carry out its work.	The Governance Committee responsibilities include: annually reviews and monitors senior executive contracts, compensation and benefits program and recommends changes where appropriate. Ensure there are ongoing executive development programs that help promising individuals within the organization develop the critical skills identified in the succession plan. Annually review the administration of all management and staff benefits and compensation plans to ensure conformity with approved policies. Review on a regular basis the mechanisms that management has in place for employee recruitment and to monitor the retention of employees with a process for monitoring risk. Based on the CEO evaluation results, the Governance Committee reviews and makes recommendations to the Board regarding the CEO's compensation.	Yes

	SIGA's Governance Practices	Does SIGA Align?
NP 58-201, Section 3.17 3.17 The compensation committee should be responsible for: reviewing and approving corporate goals and objectives relevant to CEO compensation, evaluating the CEO's performance in light of those corporate goals and objectives, and determining the CEO's compensation level based on the evaluation; making recommendations to the Board respecting non-CEO officer and director compensation, incentive-compensation plans and equity-based plans; and reviewing executive compensation prior to public disclosure.	The Board evaluates the performance of the President and CEO annually. The Governance Committee oversees the evaluation of the President and CEO. The evaluation results are reported in writing to the Board. The President and CEO is evaluated based on performance targets and measures laid out in the strategic plan, and for complying with management limitations policies prescribed by the Board. The results of the CEO's performance are approved by the full Board. The President and CEO evaluation is scheduled to be completed in July 2016.	Yes
BOARD ASSESSMENTS		
NP 58-201, Section 3.18 3.18 and each individual director should be regularly assessed regarding his, her or its effectiveness and contribution. An assessment should consider: (a) In the case of the Board or a Board committee, its mandate or charter, and (b) In the case of an individual director, the applicable position description(s), as well as the competencies and skills each individual director is expected to bring to the Board.	The Board, Committees, and the Chair evaluation occur on a two year cycle. The evaluations were conducted by Dr. Bob Kayseas, an external consultant, and were completed in December 2015. The Board and its committees review their terms of reference annually. The Board has developed a skills matrix that will be used for future planning.	Yes
NI 58-101F1, Sections 7(a) and (b) 7 (a) Describe the process by which the Board determines compensation for the directors and officers of the corporation. (b) Disclose whether the Board has a compensation committee composed entirely of independent directors and, if not, describe the steps the Board takes to ensure an objective process for determining such compensation.	7 (a) The corporation has developed a number of policies to assist in determining rates for director compensation. Directors will be compensated for serving on SIGA's Board through a combination of retainer fees and per diems. Directors will be reimbursed for travel and business expenses in accordance with Corporate Policy No. B03-017 Travel and Business Expenses (Board Members). The monitoring of compensation for directors is the responsibility of the Governance Committee, who reviews this on a biannual basis. The Board determines compensation by retaining the services of an external consultant to complete a market survey utilizing industry standards. (b) Board members receive the following retainer fees on an annual basis to be paid in quarterly installments: Board Chair $18,000; committee chair $16,000; director $12,500; All Board members meeting fee $700.	Yes
NI 58-101F1, Section 7(c) 7 (c) If the Board has a compensation committee, describe the responsibilities, powers and operation of the committee.	The Governance Committee serves as SIGA's compensation committee. This is a standing committee and serves as an advisory committee appointed by the Board. The committee's core responsibilities are identified above.	Yes
NI 58-101F1, Section 7(d) 7 (d) If a compensation consultant has been retained, at any time during the corporation's most recently completed fiscal year, to assist in determining compensation for any of the corporation's directors and officers, disclose the identity of the consultant and briefly summarize their mandate. If retained to perform any other work, state that fact and briefly describe the nature of the work.	The Board did not retain the services of a compensation consultant services in 2015-2016.	Yes
OTHER BOARD COMMITTEES		
NI 58-101F1, Section 8 8 If the Board has standing committees of the Board, other than audit, compensation and nominating committees, identify the committees and describe their function.	The SIGA Board has appointed the following standing committees to conduct the business of the corporation Governance Committee, Audit & Finance Committee and the Strategic Affairs Committee. All committees have comprehensive mandates that meet the policy requirements. All committee mandates are available upon request from SIGA.	Yes

SIGA CASINO LOCATIONS



BEAR CLAW CASINO
White Bear First Nation Near Carlyle
306.577.4577

DAKOTA DUNES CASINO
Whitecap Dakota First Nation Near Saskatoon
306.667.6400

GOLD EAGLE CASINO
Mosquito First Nation North Battleford
306.446.3833

LIVING SKY CASINO
Nekaneet First Nation Swift Current
306.778.5759

NORTHERN LIGHTS CASINO
Peter Ballantyne Cree Nation Prince Albert
306.764.4777

PAINTED HAND CASINO
Kahkewistahaw First Nation Yorkton
306.786.6777

SIGA.SK.CA

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